

Arafat Says U.S. Helped In Israeli Raid on PLO

By Jonathan C. Randal
Washington Post Service

TUNIS — Yasser Arafat, the chairman of the Palestine Liberation Organization, said Thursday that U.S. tanker aircraft helped refuel the Israeli Air Force planes that attacked his personal headquarters near here Tuesday.

He also said at a news conference that he had left his headquarters to go jogging on the beach only 15 minutes before the Israeli aircraft leveled the complex with bombs and air-to-ground missiles.

Mr. Arafat said that he knew which U.S. base in the Mediterranean was involved in supplying the tanker aircraft but would name it only "at the appropriate time." He declined to explain why he would not name the base now.

Other Palestinian sources have suggested that the Israelis refueled at a North Atlantic Treaty Organiza-

tion air base in southern Italy. Quoting from the authoritative British International Institute of Strategic Studies, Mr. Arafat contended that Israel does not own enough tanker aircraft to have conducted the raid without "strategic and operational coordination" with the United States.

He said that eight fighter-bombers escorted the refueling aircraft in addition to the eight that carried out the attack.

Arguing that the U.S. aircraft that he alleged were involved had been sent as "part of the strategic agreement between Israel and America," Mr. Arafat asked, "Can you explain how more than 20 aircraft stay in the air for more than seven hours from takeoff to landing, refueling" twice on the way to target, once headed home?

"Do you want to convince me that the 6th Fleet has not felt the existence of these planes in the air for seven hours?" Mr. Arafat asked, referring to the U.S. 6th Fleet. "The Americans cannot say they didn't know."

Asserting that Israeli officials had said that they had informed the Americans of the planned raid ahead of time, he said the U.S. administration and President Ronald Reagan accepted his attempted assassination although he, as PLO chairman, was the "one who signed the Jordan-PLO peace initiative."

Denouncing the alleged American collusion and Mr. Reagan's implied endorsement of the raid as "absolutely shameful," Mr. Arafat said the Americans were "bombing the peace process."



Neil Kinnock, center, leader of Britain's Labor Party, took a break on Wednesday to sing with members of a miners' choir during a Welsh Night celebration at a Bournemouth hotel.

U.S. Revokes Thai's Visa After Attempted Coup

The Associated Press

BANGKOK — The United States has denied entry to a Thai Army colonel who allegedly led a failed coup attempt on Sept. 9, a spokesman for the U.S. Embassy said Thursday.

The spokesman said Colonel Manoon Roopkachorn could not be given asylum because he had attempted to overthrow a legal government.

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(Continued from Page 1)

Department records show that Mr. Howard was assigned to the U.S. Embassy in Moscow where his cover was a job as a budget specialist.

■ Soviet Intelligence Disaster

While disclosures that CIA employees may have been feeding information to the Soviet Union has alarmed U.S. intelligence officials, several of the officials said that Mr. Yurchenko's defection and those of other Soviet intelligence officials in London and Athens represent a

major disaster for Soviet intelligence. The Washington Post reported from Washington.

The KGB "has been hit with an earthquake that's above 8.0 on the Richter scale, and we've been hit with a few hail stones," said George A. Carver, a 26-year CIA veteran who left the agency during the Carter administration.

A former CIA director, William E. Colby, said, "If we had lost three ranking defectors in the last couple of months, we'd be in an uproar."

But other officials said it is far from clear which superpower has suffered the greatest hemorrhaging of sensitive information.

Some intelligence experts suggested that, while Mr. Yurchenko's defection may be a short-term CIA bonanza, the loss of Mr. Yurchenko and other recent Soviet defectors to the West actually represents setbacks for the West, since they can no longer be used to gather information inside the Soviet intelligence establishment.

Mr. Peres said he believed that Hussein wanted and needed peace.

"I take it as a good omen, but not as a sufficient change," Mr. Peres said. He declared that if Hussein meant what he said, he should state it publicly.

Answering questions at a press luncheon, Mr. Peres seemed confident and was visibly relieved that Washington's reaction to the raid Tuesday was mild.

Because Israel believed that the raid would possibly trigger a nega-

tive international reaction, President Ronald Reagan's characterization of the attack as an act of self-defense was "for us, shall I say, a refreshing surprise," Mr. Peres said.

The Israeli prime minister played down the fact that since Tuesday U.S. officials have tried to moderate their initial endorsement of the strike. Mr. Reagan's remarks were "crystal clear," he said.

Mr. Peres reiterated his government's perception of current efforts to seek a Middle East peace settlement.

In a television interview Wednesday, however, Mr. Peres insisted that Hussein did not need Arafat's help.

In general, he said, "Hussein is not happy with Arafat's entire activity."

Mr. Peres said that "inwardly, the Jordanians are also constantly in doubt as to whether the PLO and Arafat really mean what they say."

Mr. Peres said he believed that Hussein wanted and needed peace.

"I hope that this momentum will be continued in spite of the many difficulties and many complications," he added.

The Israeli prime minister has faced Jerusalem longer than any other Arab head of state.

The Jordanian leader has concluded that he needs the support of Yasser Arafat, the Palestine Liberation Organization chairman, in order to advance the peace process.

In a television interview Wednesday, however, Mr. Peres insisted that Hussein did not need Arafat's help.

Mr. Peres reiterated his government's perception of current efforts to seek a Middle East peace settle-

Peres Calls Hussein's Move 'Good' but Not Enough

By Christopher Dickey
Washington Post Service

JERUSALEM — Prime Minister Shimon Peres welcomed on Thursday signs from King Hussein of Jordan that the peace process may still be alive despite Israel's bombing of the Palestinian headquarters in Tunisia.

But Mr. Peres was quick to add that Hussein's reported remarks in Washington to a closed session of the Senate Foreign Relations Committee were not enough.

Hussein told the panel that no

state of belligerency exists between Jordan and Israel and that Jordan recognizes Israel's right to exist.

"I take it as a good omen, but not as a sufficient change," Mr. Peres said. He declared that if Hussein meant what he said, he should state it publicly.

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Toxic Chemical Leaks in U.S. Occur Daily, Report Reveals

By Stuart Diamond
New York Times Service

WASHINGTON — At least 6,928 accidents involving toxic chemicals have occurred in the United States during the last five years, killing more than 135 people and injuring nearly 1,500, according to a U.S. government report not yet released.

Some environmental experts expressed surprise at the number and size of the spills on the list.

The report, the government's first systematic effort to study the causes of such accidents, was commissioned by the Environmental Protection Agency earlier this year in response to December's disaster in Bhopal, India, where a toxic gas leak killed more than 2,000 people.

Drawing on an incomplete listing, the report's data disclosed that about five accidents a day since early 1980 had released toxic chemicals from small and large companies, most of them involved in chemical production or storage.

Nearly three-quarters of the accidents were at plants and the rest in transportation. Causes of the accidents included storage-tank failures, valve problems and human error.

The compilation is only a partial list because data were drawn only from selected information banks and areas of the country. They include New Jersey, Texas, California, the Midwest, Ohio, certain newspapers and a national chemical accident reporting line.

The earliest source compiled accidents from 1980, although other sources listed only two years. The average source listed 3.7 years.

Had the entire country been consulted, the number of accidents would be two and a half to three times higher, according to Industrial Economics Inc. of Cambridge, Massachusetts, the lead consultant of the four that prepared the study.

"We got only the data we could get quickly," said James Cum-

ming-Saxton, a chemical engineer and partner in the company.

"This is the first attempt to focus on actually hazardous chemicals," he said.

The study, "Acute Hazardous Events Database" said that the information was designed to help determine which substances were most often involved in releases of very toxic chemicals and what caused the releases. Federal officials said they would use the findings in developing policy or legislation to reduce the risk.

"It enables us to move away from speculation and toward a better idea of the frequency and severity of toxic chemical accidents," said Frederick W. Talcott, who managed the study for the Environmental Protection Agency.

However, Mr. Talcott said, it is still difficult to draw general conclusions about chemical plant safety from the report.

"I can't say looking at this history whether we should be assured or not about the likelihood of very serious events," he said. As to what it will take for that knowledge, he said, "We're still thinking about that."

The draft of the study comes to public view seven weeks after a chemical leak at a Union Carbide pesticide plant in Institute, West Virginia, sent at least 135 people to the hospital.

In the study, spills and emissions amounted to 420 million pounds (about 190 million kilograms) of chemicals; 468 instances of death or injury were recorded. The evacuation of at least 217,457 people was involved.

"When the accident at Institute happened, people thought chemical accidents were rare," said David D. Doniger, a senior lawyer at the Natural Resources Defense Council, a public interest law firm.

"But here we have storage tanks and valves and pipes and other equipment failing at the rate of five times a day. It really brings home the magnitude of chemical accidents."

The study did not say what proportion of the dead and injured were chemical plant workers or what proportion the public. Mr. Cummings-Saxton said most of the deaths appeared to be workers, but that the injuries were more evenly split.

Mr. Cummings-Saxton said the French officials have said they want to discuss are those of two Soviet dissidents, Anatoli B. Shcharansky, who is serving a 15-year prison sentence after being convicted in 1978 of spying for the United States, and Andrei D. Sakharov, the nuclear physicist, who was awarded the 1975 Nobel Peace Prize for his human rights activities.

Mr. Sakharov has been confined to the city of Gorki since 1980.

Mr. Chirac also criticized Moscow over the size of its armed forces, which he said were far beyond those needed for national defense.

After the city hall ceremonies, Mr. Gorbachev went to meetings with the parliamentarians and with Mr. Fabius.

Earlier he laid a wreath at the Arc de Triomphe war memorial after being driven up the Champs-Elysees.

A Jewish war-veteran with a Star of David around his neck was led away by security men as Mr. Gorbachev and his wife approached.

Security police also led away an unidentified man who shouted "assassins" as the Soviet leader's armor-plated limousine drove by.

Chirac Attacks Soviet On Human Rights Issues

Reuters

PARIS — The Soviet leader, Mikhail S. Gorbachev, sat implessly Thursday as the mayor of Paris, Jacques Chirac, delivered a sharp attack on the Soviet Union's human rights record in a speech at the city hall.

Mr. Chirac, leader of the Rally for the Republic, France's opposition neo-Gaullist party, charged the Soviet Union with failing to live up to human rights pledges in the 1975 Helsinki accords.

"I think with emotion of all those deprived of freedom because of their convictions," he said. "I am

also thinking of those Jews who are not allowed to leave the country."

Mr. Gorbachev, on the second day of a four-day stay in Paris, smiled throughout Mr. Chirac's address. When the translator reached the passage on human rights, his face became expressionless.

In his own speech, Mr. Gorbachev dwelled on the city of Paris and links between Russia and France.

Prime Minister Laurent Fabius, who met later with the Soviet leader, said he had given Mr. Gorbachev a list of human rights cases that France wanted to raise.

He did not specify which names were included, but said: "He took my list."

Among the cases that French officials have said they want to discuss are those of two Soviet dissidents, Anatoli B. Shcharansky, who is serving a 15-year prison sentence after being convicted in 1978 of spying for the United States, and Andrei D. Sakharov, the nuclear physicist, who was awarded the 1975 Nobel Peace Prize for his human rights activities.

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Laser Tracked Missile In Test, Weinberger Says

Compiled by Our Staff From Dispatches

PHILADELPHIA — Defense Secretary Caspar W. Weinberger said Thursday that a missile in space with ground-based laser beam last Friday in the first successful U.S. experiment of its kind.

The experiment was one in a series being conducted under President Ronald Reagan's research program into space-based missile defenses, which might ultimately be deployed to destroy attacking missiles in flight.

"We succeeded for the first time in demonstrating our ability to track a sounding rocket in space," Mr. Weinberger told the Philadelphia World Affairs Council. He said the test succeeded "after adjusting the beam for atmospheric distortion."

It was the first time a laser beam aimed from Earth had been pro-

jected through the atmosphere to a target in space, Defense Department officials said later. The beam was aimed from a U.S. Air Force base in Maui, Hawaii, at a rocket fired from a test range in Hawaii.

The Pentagon attempted a similar space experiment in July from Hawaii, but the laser operators were unable to lock onto the target properly.

Mr. Weinberger said that Soviet ground-based laser weapons could now interfere with U.S. military satellites and might be able to hit U.S. missiles in flight within five years.

He said it was vital that the U.S. space defense program, which the administration calls the Strategic Defense Initiative, not be used as a bargaining chip at the Geneva arms talks.

(Reuters, AP)

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South Korean Students Given Harsh Sentences

By Clyde Haberman
New York Times Service

TOKYO — A South Korean court has sentenced 20 college students to as much as seven years in prison for occupying the U.S. Information Service building in central Seoul in May.

The sentences Wednesday were considerably harsher than those generally imposed on student demonstrators in recent years.

They seemed to reflect a tougher government attitude toward dissent. Many foreign diplomats in South Korea trace the attitude to the four-day takeover of the American offices by 73 students.

Although the demonstration ended without violence on May 26, following long negotiations between the students and U.S. diplomats, the South Korean government felt seriously embarrassed and threatened to retaliate.

Since then, there has been a series of campus raids, and scores of students have been arrested. Officials have dismissed teachers and ordered the transfer of judges considered too "soft" on convicted protesters.

"Considering that no violence was involved, these are very severe sentences," a Western diplomat said Wednesday.

The longest prison term, seven years, was given to Han Un Yong, a senior at Seoul National University who headed a campus group called Samnimit. The government has labeled the group pro-Communist.

In addition to the prison term,

Mr. Han's civil rights are being suspended for three years. He had been charged under the National Security Law, which is commonly invoked against defendants accused of abetting North Korea. In the most extreme cases, the law allows the death penalty.

The 19 other defendants were indicted under less severe statutes and received shorter sentences.

Kim Min Suk, also a leader at Seoul National University, and another student were given five-year sentences. Nine of the others received four-year terms and seven were given three-year terms.

The 20th defendant, the only woman on trial, was given a suspended sentence of two years, apparently because she expressed a willingness to "repent."

The 53 other students who had taken over the U.S. installation were given short jail terms soon after the incident or were released with warnings.

The trial, in the Seoul District Criminal Court, had been uncommonly stormy and was punctuated by sporadic outbreaks by defendants who shouted anti-government slogans.

Two weeks ago, two opposition members of the National Assembly were indicted on charges of inciting a separate demonstration at Korea University on Sept. 6. One of them was a defense lawyer in the continuing trial of the 20 students, and he was discharged as a result.

In protest, 21 other defense attorneys resigned, forcing the court to appoint replacements.



Bishop Desmond M. Tutu of South Africa, center, at Westminster Cathedral in London with Anglican church leaders, Reverend Samuel Van Culin, secretary-general of the Anglican Consultative Council, at left, and Reverend Keith Sutton, bishop of Lichfield.

Boycott of White Shops Ends in Natal

The Associated Press

JOHANNESBURG — Black trade unions and community groups called off Thursday a month-old boycott of white shops in South Africa's Natal province, saying it "threatens to divide rather than unify" foes of apartheid.

The nationwide black consumer boycott remains in effect in most parts of the country and has crippled some white shops and forced others to close.

Thousands of students continued to boycott classes Thursday across South Africa.

Police headquarters in Pretoria said that a shot patrol shot and killed a black man on Wednesday in King William's Town in the east-

ern Cape province during a clash with rock-throwers.

In Cape Town on Thursday, a court postponed for two weeks the case of eight journalists, including camera crews from U.S.-based television networks, who were arrested Tuesday while covering a student protest rally.

The eight journalists, who appeared in court, were released Wednesday without bail. They include Wim de Vos, of the Netherlands, and Anton van der Merwe, a South African, employees of CBS; and George De'Ath, of France, and John Hall, of Britain, employees of NBC.

Also arrested were Craig Matthew and Pierre Rommelaere of

World Television News of Britain; Bernard Bisson from the French photographic agency, Sygma; and Rafiq Rohan, a reporter for the South African Capitol Radio.

In Bournemouth, England, Britain's opposition Labor Party gave a thunderous reception Friday to Oliver Tambo, leader of the outlawed African National Congress.

Mr. Tambo accused Prime Minister Margaret Thatcher's government of allying itself with apartheid.

Meanwhile, Mrs. Thatcher was meeting with Bishop Desmond M. Tutu, a Nobel laureate and a leading apartheid opponent who advocates nonviolent change. He is in Britain for a church meeting.

Mr. Zhu, 30, is a tailor, an individualist with one of the fastest pairs of scissors and surest eyes for a tipped waist that have been seen in Chongwenmen district here in a general welfare.

At only a few months in business he has built up a thriving trade in the pinstripe suits and natty sports jackets that have been the rage since Deng Xiaoping lifted the sartorial tyranny imposed by Mao.

In the streets of China, away from the wrangling of the political elite, Mr. Deng is celebrated for elites that have placed popular well-being ahead of ideological concerns. Nowhere is this more evident than among the practitioners — and clientele — of the growing network of free enterprise.

"Deng Xiaoping," Mr. Zhu said, "he's wonderful; it's his policies that have made all this possible." With a wave of his shears, he motioned toward the vegetable sellers, furniture makers and bicycle re-

pairers clustered about his table on Taijichang Street.

Across China more than 15 million people work in private business, two-thirds of them people like Mr. Zhu who are self-employed.

When Mr. Deng took power in 1978, private commerce of all kinds was proscribed and punished.

Equally impressive is the rate of growth: 660,000 private businesses by 1980, 9.3 million at the end of 1984, 10.6 million now. Recent figures show that 14 percent of all retail sales take place in the private sector.

In many neighborhoods the private markets have become the focal point of life. In Beijing there are more than 500 such markets, often more than a single neighborhood.

Western economic historians who visit here say there has been nothing to match it in any Communist country, not even the period in the 1920s when Lenin, ruling a nation ravaged by civil war, encouraged free enterprise in the Soviet Union.

The same point, in different ways, is made by Mr. Deng's political enemies at home, who say that what is going on here is an abandonment of Marx's creed.

"We are Communists; our goal is to build socialism," Chen Yun, 80, the central planning advocate who is Mr. Deng's strongest critic at the pinnacle of power, said at a national party conference last week.

Mr. Deng, on the defensive, has adjusted his policies, but not his policy. Replying to Mr. Chen's conference speech, he spoke of the "greediness, corruption and injus-

tice that are inherent in capitalism," then reaffirmed the positive role that free enterprise can play.

In licensing free enterprise, Mr. Deng has sought to tackle several problems. One was the chronic shortage and sloth of everyday services to anyone who knew Mao's China.

Whether it was getting a meal, or a haircut, or a snapshot on Tiananmen Square, China before the Deng era was hopelessly undersupplied.

Mr. Zhu can make a jacket for less than \$2 plus the cost of the cloth in three days; the same service in a state-run shop can take several weeks.

Since 1980 there has been a 600 percent increase in retail and service shops, most of them privately run. China's Horatio Algers have opened nearly six million stores, one million restaurants, 750,000 repair shops, 640,000 service shops and stalls and 40,000 companies that build or repair homes.

If a Chinese drinks in a teahouse, stays in a small hotel, needs his shoes fixed, likes fashionable clothes and hairdos or likes to dance to a Western beat, the chances are good that he will patronize a privately owned concern.

The new businesses have filled a gaping hole, and by providing better service, though often at higher prices, have prompted state and collectively owned stores to improve their performance. In addition, they have provided jobs to millions of people who would otherwise have been out of work.

Entrepreneurs Bloom in China

Private Businesses Have Multiplied 15-Fold Since 1980

By John F. Burns
New York Times Service

BEIJING — As a boy growing up amid the rice paddies of Jiangsu province, Zhu Bingrong read the tracts of Marx and Mao.

He has never heard of Adam Smith or "The Wealth of Nations," the 18th-century handbook of laissez-faire capitalism. But each day he bicycles down to a street corner here, sets up a crude table and demonstrates an axiom set forth by Smith in 1776: that the entrepreneur, in pursuit of personal gain, can simultaneously promote the general welfare.

Mr. Zhu, 30, is a tailor, an individualist with one of the fastest pairs of scissors and surest eyes for a tipped waist that have been seen in Chongwenmen district here in a general welfare.

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In Echo of Early Years, Middle East Conflict Shifts Back to Israeli Territory

(Continued from Page 1)
are less afraid of the Israelis than were their parents.

"The generation that grew up in the territories before 1967 witnessed Israel crush three Arab armies at once," said Amnon Cohen, an expert on Palestinian history at the Hebrew University of Jerusalem.

"They were shocked by this and they took the might of the Israeli Army for granted. The young generation do not suffer from this shock. They grew up with the Israeli Army of the 1973 war and Lebanon."

The ability of the Shiite Moslems to drive the Israeli Army out of most of Lebanon appears to have had an important psychological impact on West Bank youths and to have contributed, in part, to the new wave of violence.

Israeli military officials say they

believe that the 600 Palestinians released May 20, who included some of the best-known Palestinian killers of Israel in the last 20 years, are being closely watched and are not engaging in subversive activities.

The freed prisoners do serve as important role models, however, the officials said. The 600 men were freed to the occupied territories as part of an exchange of 1,150 prisoners for three Israeli soldiers.

In the last 18 years, Israel has systematically destroyed the traditional Arab leadership in the West Bank and Gaza Strip through expulsions or dismissals from posts.

Only one mayor of a major Arab town, Elias M. Freij of Bethlehem, remains in his job. The others are under the administration of military governors.

In the absence of strong and moderate local leaders, the young

generation is looking to the released prisoners for inspiration.

The Israeli cabinet agreed to the prisoner exchange under the urging of the parents of the three Israeli soldiers. Officials also believed that if they did not meet the Palestinian guerrillas' specific demands, the three Israelis could be killed.

Another factor has helped make the recent violence possible, the experts said, is the weakening of Israel's intelligence-gathering capabilities in the West Bank and Gaza Strip as a result of the Lebanon war.

The day-to-day gathering of intelligence in the West Bank was always carried out by agents of the Shin Bet, the security agency that is Israel's equivalent of the FBI.

But when the Israeli Army invaded Lebanon, the Shin Bet, with its experienced case officers and members fluent in Arabic, and

transferred much of its resources to assist the occupation. Many of its agents still work in southern Lebanon.

According to Israeli military sources, about 20 Shin Bet agents

were killed during the invasion of Lebanon and in the suicide bombing of the Israeli intelligence headquarters in Tyre on Nov. 4, 1983.

"The main tool for fighting terrorism is intelligence," said a senior Israeli officer in the West Bank.

In addition, the nature of the violence in the territories is changing, making it more difficult to detect in advance, the military officer noted. At most, he said, only 50 percent of the recent attacks have been directed from the outside.

The rest, he said, were undertaken by individuals who are no longer willing to wait for the PLO to win the fight for them. They act on

their own or in self-contained small groups that are very hard to penetrate.

The PLO presence in Amman

has contributed to the recent spate of attacks, the Israeli military officials said, because it is easier for its leaders to meet other Palestinians there than it was in Tunis or Algiers.

Israeli military officials say they believe that Mr. Arafat has been pressured to step up violence inside Israel to improve his image inside the organization.

Mr. Arafat reportedly is considering recognizing Israel's right to exist as part of a Jordanian-PLO initiative to open talks with the United States on peace in the Middle East.

The last factor contributing to the increase in Arab violence, according to Israeli military experts and Palestinians, has been the behavior of the Jewish settlers.

"The settlers say they are moving into the Hebron marketplace because they want to live with the Arabs," said Amnon Cohen, a historian. "In reality they want to replace them. They want friction in order to justify bringing the army in and imposing harsher security. We must not only condemn Arab aggression but Jewish aggression."

The settlers

have increased their efforts to expand their settlements into densely populated Arab areas. They have attacked the homes of the Palestinians released from prison and are conducting their own armed patrols in West Bank towns following attacks on Israelis.

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"Surviving in a competitive environment," will be the theme of the sixth International Herald Tribune/Oil Daily Conference on "Oil and Money in the Eighties". The program, designed for senior executives in energy and related fields, will address the key issues affecting the current energy situation and assess future trends and strategies. H.E. Professor Dr. Subroto, Minister of Mines and Energy, Indonesia and President of the OPEC conference, and John S. Herrington, U.S. Energy Secretary, will head a distinguished group of speakers from Europe, the Middle East, Latin America and the United States.

OCTOBER 24

KEYNOTE ADDRESS:

— Professor Dr. Subroto, Minister of Mines and Energy, Indonesia.

COMPETITION FOR MARKET SHARE:

— Moderator: Herman T. Franssen, Former Chief Economist, International Energy Agency, Paris.

— H.F. Keppler, Chairman and Chief Executive Officer, The Keppler Companies, Houston.

— Alfonso Porras, Managing Director, Petroleos de Venezuela (UK) S.A., London.

— Douglas Wade, Senior Energy Analyst, Shell International Petroleum Company Ltd., London.

THE IMPLICATIONS OF OPEC PRODUCT IMPORTS AND DOWNSTREAM STRATEGIES ON THE OIL MARKETS:

— Nader H. Sultan, President, Kuwait Petroleum International Ltd., London.

HOW TWO MAJOR OIL COMPANIES ARE SURVIVING IN A COMPETITIVE ENVIRONMENT:

— Allen E. Murray, President, Mobil Corporation, New York.

— Arne Johnsen, President, Statoil, Stavanger.

PRODUCERS AND REFINERS STRATEGIES IN AN ERA OF GROWING COMPETITION:

— John R. Hall, Chairman and Chief Executive Officer, Ashland Oil Incorporated, Ashland, Kentucky.

— Edo Malmivaara, General Manager, Neste Oy, Helsinki.

— Nicola Mongelli, Assistant to the Executive Vice President, Eni Nazionale Idrocarburi, Rome.

— Saud O. Qunfudh, Manager, Supply Coordination, Petromin Participation, Dhahran.

OCTOBER 25

NEW OUTLOOKS FOR UNITED STATES' ENERGY POLICY:

INTERNATIONAL HERALD TRIBUNE

Published With The New York Times and The Washington Post

Victims of Free Trade

A mighty urge has been building in the Congress to do something, almost anything, to show concern about the huge U.S. trade deficits. Even senators and congressmen with unwavering commitments to the principle of free trade are feeling the need to demonstrate sensitivity to the domestic troubles caused by foreign competition. A likely vehicle for that concern is a proposal by Senator William Roth of Delaware, and others, to extend and expand the Trade Adjustment Assistance program.

The Roth proposal would impose a small "adjustment fee" on all imports to pay for extended unemployment benefits and retraining for workers who lose jobs to foreign competition. It has an advantage over other proposals aimed at helping U.S. workers: strong bipartisan backing, especially within the powerful Senate Finance Committee, and inclusion in the budget reconciliation measure that the Senate is expected to take up soon.

The plan also has intuitive appeal. Open trade is surely good for the United States and other countries in the long run, but in the short run the costs of adjustment fall heavily on certain people and localities. Why not make the people who profit from importing goods into the United States help ease the resulting hardships? Senator Roth and the bill's co-sponsors point out that the needed levy on imports would be so small (probably only one-tenth of 1 percent of import value) that the United States' trading partners would proba-

bly accept the required change in trading rules. The Reagan administration, however, has stoutly opposed other import surcharges and, while it has not yet registered opposition to this one, may well be reluctant to embrace it. The administration has consistently opposed the whole concept of earmarking programs for workers hurt by trade on the sensible ground that such workers have no larger claim to public help than workers displaced by technological change, faulty management, high interest rates or domestic competition.

It also turns out to be very hard to pinpoint eligible workers: a study of earlier trade adjustment programs found that workers given help because their jobs had been permanently lost to foreign competition were much more likely to be recalled to those same jobs than workers who were not helped.

A better strategy might build upon the worker adjustment programs already being funded by the Labor Department. While these programs are still quite new and generally lack money for extensive retraining, worker stipends, they have encouraged considerable innovation by states and involvement by private companies. Unfortunately, even as the Congress considers voting money for a new displaced-worker program under the heading of "trade," it is also in the process of approving a huge cut in funding for the existing programs. That does not make sense.

—THE WASHINGTON POST.

The Russians This Time

Three Soviet citizens were still being held prisoner in Lebanon even as the report came that a fourth, a diplomat, had been executed by an Islamic fundamentalist group fighting in Tripoli against Lebanese elements backed by Syria and, through Syria, the Soviet Union. Few people, we surmise, are going to be able to deplore the murder without wondering whether it might not be therapeutic for the Kremlin to get a taste of the medicine that it has long been prescribing for others through its various approaches to encouraging international terrorism. But this in itself is not an adequate, let alone an attractive, reaction.

This appears to be the first time Soviet citizens have been taken hostage and harmed in the charnel house of Lebanon. As a result, there is much curiosity about what the Kremlin may do. One theory has been that terrorists have escalated to hit Soviet targets for fear of an immediate and crushing response. Now we will see whether Moscow moves to protect, remove or avenge its people, and whether it slackens or keeps up or even increases its support for its Lebanese friends in the field. These are important questions bearing on the whole Soviet role in the Middle East.

It is painful but necessary to note that in somewhat analogous circumstances of threat

to its Lebanese presence, the United States abandoned its role as a would-be patron of the country's integrity and unity. In a little-noted sequel, the Soviet Union then deliberately moved into some part of that same role, principally by backing Syria, which sees itself as the single legitimate overseer of Lebanon.

Syria has been conducting a hard policy of enforcing order of a sort in Tripoli and of otherwise trying to assert control in Lebanon. The United States is not pleased with the means, but in the absence of any other feasible way to stop the bloodletting and disintegration, Washington has quietly endorsed the Syrian policy. It has done so notwithstanding Syria's own readiness to sponsor and condone terrorism, including, it is believed, terrorism directed at Americans. Washington thus has acquiesced to the Soviet supporting role.

This leaves the United States in a strange position on the latest hostage-taking. Even as it takes a consistent position against terrorism, Washington cannot fail to hope against hope that Moscow will review its cynical support of terrorism. Yet the United States finds itself forced to acknowledge the job that the Soviet Union is performing in Lebanon, one that the Reagan administration largely yielded.

—THE WASHINGTON POST.

Panama Is Off the List

Strike Panama from the list of restored Latin American democracies that the United States has been celebrating.

In a democracy, the military is not expected regularly to depose or impose presidents, as the Panamanian National Guard has done five times in three years. In a democracy, civilian critics of military power are not supposed to be decapitated, with the apparent collusion of the military, as happened two weeks ago to Dr. Hugo Spadafora.

In a democracy, journalists are not normally threatened by military intelligence operatives, and United States ambassadors do not feel obliged to warn opposition newspapers that they risk being closed down unless they mute their criticism — as Ambassador Everett Briggs felt obliged this week to warn reporters and editors of the daily La Prensa.

If what is happening in Panama is democracy, Nicaragua can fairly claim it is being sub-

jected to a double standard. The right name for the Panamanian regime is dictatorship, and the country's real ruler is the National Guard commander, General Manuel Noriega.

Panama faces problems starting with the effects of the larger Latin debt crisis, which has dried up the normal flow of capital to the region. And the United States has every reason to try to get along with whoever governs Panama. But these realities do not oblige Washington to pretend that the power plays and brutalities of a military regime are consistent with democracy. General Noriega should not underestimate the United States' strategic interest in Panama's political future.

America's access to the Panama Canal depends in the first instance on the stability of the regime that guarantees it. That guarantee is worth no more than the regime's credibility among its own people.

—THE NEW YORK TIMES.

Other Opinion

The Art of Cutting Red Tape

[Christo] is the subject of an array of books and movies. And like some other artists in history, artists like Leonardo, Michelangelo, Titan, and, in our own day, Picasso, he is known simply by the one name. Unlike them, he is that modern phenomenon, a man famous for being famous. To say that, though, is to do an injustice.

The sheer scale of Christo's projects, the

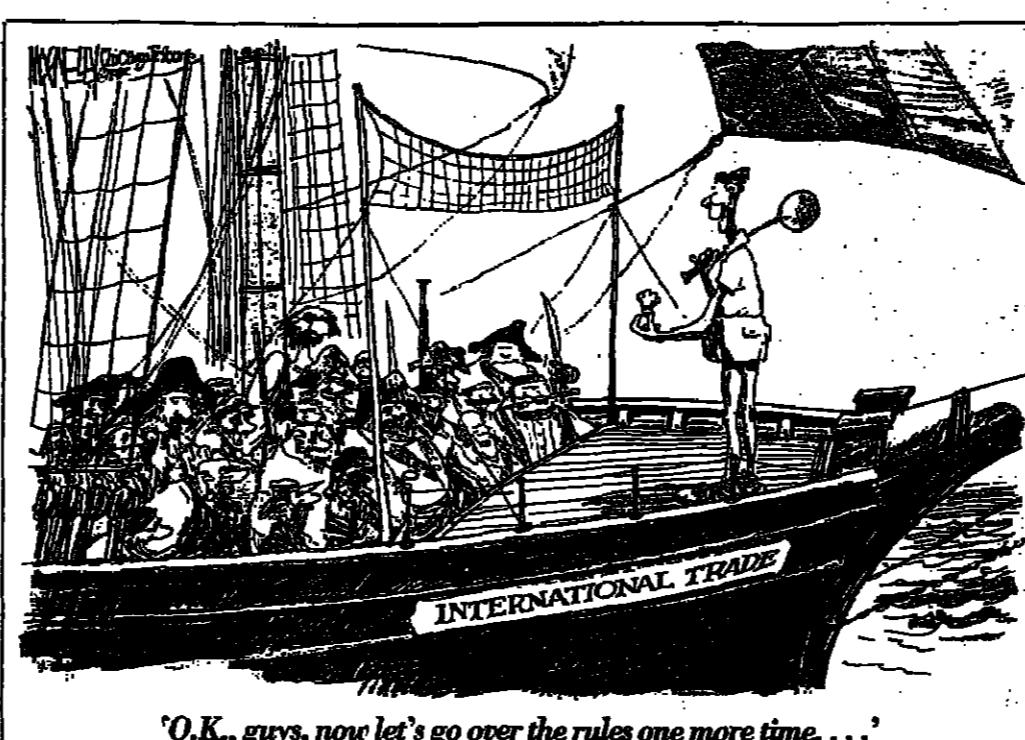
energy with which he pursues them (the wrapping of the Pont Neuf has been on his list since 1976), and the skill with which he consummates them are in a class apart. It was not simply a question of the ingenuity of wrapping the 12-arched bridge in silken pleats while the traffic kept rolling; it was the little matter too of persuading hard-nosed politicians such as Paris Mayor Jacques Chirac and President François Mitterrand that it was worth doing.

—Michael McNay, *The Guardian* (London).

FROM OUR OCT. 4 PAGES, 75 AND 50 YEARS AGO

1910: China Opens National Assembly PEKING — Today [Oct. 3] is notable in China's history, witnessing the inauguration of the Constitutional Assembly, the first Chinese national body embodying the principle of popular representation. The greatest enthusiasm prevails throughout the empire and the Dragon flags are flying everywhere. In opening the Assembly, the Regent declared that it represented the people's verdict, and although only the initial step towards a constitution it was an emblem of hope in the country's great future, showing that China is in accord with the world's progress. The Regent recognized the need for improved conditions and harmony between all classes. The inauguration of provincial Assemblies last year marked the first stage of representative government in China. The Constitutional Assembly extends the representative principle to the empire as an entity.

1935: Italian Troops Invade Ethiopia PARIS — War began in Ethiopia [on Oct. 3] with the advance of Italian troops on two fronts, Adowa, scene of Italy's defeat 39 years ago, when 14,000 Italians fell before the spears and guns of Ethiopian warriors, was bombed by Italian warplanes. Mussolini's Air Force also rained bombs on the nearby towns of Adigrat and Agame. Hundreds of people, including women and children, were killed, according to Addis Ababa dispatches: Rome dismissed the charge as "an old and much-abused expedient." Messages pouring out of the Ethiopian capital told of the Italian advance. The Italians began their forward movement before dawn from Wal-Wal, on the Italian-Somaliland frontier, in the south, as well as from Eritrea, in the north. A Custoza Agency dispatch published in Paris gave total casualties in the first day's advance as 1,700.



Gorbachev's Charm Campaign Backfires

By William Safire

WASHINGTON — During the Andropov-Chernenko era, the central aim of Soviet policy was to get Western front groups to stop the deployment of medium-range missiles in Europe. That failed. The central aim of the Gorbachev Kremlin is to stop U.S. testing of space-based defense weapons, this time using the most modern communications techniques to appeal to "world opinion."

The Charm Offensive must have seemed like a great idea to the new Soviet leadership. Western media offer easy access for the Russian anti-space-defense message. But Mikhail Gorbachev is beginning to discover that playing with public opinion is playing with fire.

Credibility abroad. Watching him answering questions on television, Western viewers no longer compare him with his dour predecessors; they measure him against his buildup.

Credibility at home. The Kremlin

decided to go public with its appeal for a defense freeze exposes the Soviets' new openness ("people") to the sight of their leader saying what the average person knows to be untrue.

In an interview telecast in the Soviet Union as well as France, a French interviewer, Yves Mourousi, dared to ask about human rights.

Life in a Nuclear World: Scant Cause for Optimism

By John Ausland

This is the second of two articles.

OSLO — It is not easy to think optimistically about the future. Not only has man shown a historical penchant for fighting wars, but now he lives under the shadow of a weapon that could make the next war the last, one that gives the nuclear powers the means to wipe out fragile civilizations built over the ages. Even if the world's leaders show no desire to engage in nuclear war, it is not easy to escape the fear that they will stumble into one.

It does not good to pretend that the danger does not exist. To embrace simplistic slogans about nuclear freezes and nuclear-free zones is to embrace empty hope.

The hard reality is that there are 10,000 nuclear warheads in the world. Possession is limited to a few countries: the United States, the Soviet Union, Britain, China and France. Perhaps Israel has a few warheads. And other countries certainly have the means to produce them.

The countries that have nuclear weapons are locked in historic struggle. There is little chance that the Soviet Union will give up its ambitions to destroy each other's strategic nuclear forces, they say, would involve the use of perhaps 10,000 warheads. The destruction would be unimaginably catastrophic, even without a nuclear winter.

Those who espouse the nuclear-winter concept say that, to escape from this dangerous situation, nuclear stockpiles must be drastically reduced, leaving them below the level that would trigger a nuclear winter.

Although there is controversy about what this number would be, it could be as low as a few thousand, perhaps 1,000 warheads on each side.

But it takes great optimism to foresee the nuclear powers agreeing to such drastic reductions.

Even if the number of warheads were significantly reduced, the question of whether defenses are desirable would remain. In fact, radical reductions of the number of offensive weapons would make defense a more reasonable possibility. Even if it were not technically possible to have an effective space-based defense, the United States, and eventually the Soviet Union, could decide to use antiballistic missiles to protect their land-based nuclear forces.

If, as is likely, the leaders of the nuclear powers are not prepared to make drastic reductions, we must content ourselves with continuing to live in an extremely dangerous world.

Negotiations will continue, if only because Western governments need them to calm their publics and the Russians seek them to divide their opponents. Some agreements may be negotiated, but they will not significantly change the basic equation. The military, it seems clear, will always underlie the negotiations.

Fortunately, nuclear arsenals have a chastening effect: They lead American and Soviet leaders to treat each other with respect. In 40 years, there has not been an accidental nuclear explosion or an unauthorized firing. But if a conflict should break out, the question of using nuclear weapons would arise. It is uncertain whether American or Soviet leaders would be prepared to be the first to use nuclear weapons. But one cannot be sure.

Concerns over the scope of damage in a nuclear war have been magnified many times by the realization that an atomic war could provoke a "nuclear winter," a drastic change in climate that might wipe out mankind, at least in the Northern Hemisphere.

This threat is bound to have come to Moscow's attention. And Washington clearly is taking it seriously. The National Academy of Sciences has given a preliminary endorsement to the nuclear-winter concept, and a Pentagon study concedes that there may be something to it, but adds that this is no reason to alter strategy.

International Herald Tribune

A Bad Wrap? Henry Just Might Have Approved

By John L. Hess

PARIS — What one wonders, would Henry IV have made of it? There he sits, the greenish gallant, astride his bronze horse, serenely gazing over his bridge — the Pont Neuf — suddenly wrapped like a fancy parcel by the artist Christo. One suspects he would be more interested in the passing girls and would not mind the packaging very much, for Henry was a tolerant man.

Tolerant? Imagine. Just over his left shoulder stands the Louvre, where on the feast of St. Bartholomew in 1572, scores of his wedding guests, fellow Protestants all, were massacred. Before him once stood the old Pont Notre Dame, where Parisians pelted his Swiss guards with a murderous rain of stones and arrows.

When Henry passed by in 1594 to be crowned in Notre Dame, those same Parisians cheered him, and he said, diplomatically, "I do believe these poor people were tyrannized."

Henry is more famous for saying that "Paris is well worth a Mass." The French have long since forgiven this apparent frivolity.

Actually, he abjured Protestantism twice. The first time he did so was to avoid the fate of the other Protestant nobles on the feast of St. Bartholomew. Then he slipped out of Paris to lead the Protestant forces in victorious resistance. By 1589 he had inherited the throne, but the Catholic League held him

off until he attended that Mass five years later.

With the Edict of Nantes in 1598, Henry gave France a rare interim of religious tolerance.

He also ordered a grand program of useful engineering works, including the completion of the Pont Neuf, which was opened in 1607, 29 years after work began.

Interestingly, Henry quashed plans to build merchant housing on the bridge, objecting that it would block his view from the Louvre palace. It took nearly two centuries more for estates to rise the similar buildings on the bridges upstream, resulting in the present grand riverscape.

I doubt Henry would have been terribly shocked to see his bridge in a shroud. He could hardly have foreseen an age when packaging would be everything, contents nothing. But in his lifetime the bridge and the adjoining Place Dauphine were a court of miracles where clowns and mountebanks of all kinds held sway.

He has, in short, seen worse. His conclusion might be something like that of a famous matre d'hôtel of the Belle Epoque who, when asked why he practiced flambé, replied: "It pleases the clientele, and it doesn't hurt the food very much."

The writer, a former foreign correspondent, is now a commentator for Channel 5 in New York. He contributed this comment to the International Herald Tribune.

Attack in Tunis Shows Frailty of U.S. Policy

By Philip Geyelin

WASHINGTON — Only the choice of Tunisia should have come as a surprise; Israel's sense of how to provide for its security was well-established in Iraq in 1981 and in Lebanon for the last three years.

The lesson will large in the Tunisian bombing, then, says less about the lawlessness of the way Israel looks to its national security than it says about the mindlessness of the way the United States tends to its own interests in the Middle East.

Secretary of State George Shultz had a large part of the lesson right: U.S. security, as he understands it, requires steady efforts against whatever odds to deal with the sources of strife and instability in the Middle East. This means "we need to be clear in our opposition to the acts of violence from whatever quarter they come, and without respect to the presumed rationale for them," he said in response to the Israeli raid on the Palestine Liberation Organization facilities near Tunis. If that is not a condemnation, words have no meaning. But Mr. Shultz was in New York, at the United Nations.

Meantime, Israel had already set out to assassinate Yasser Arafat. Let us not quibble over language. It was Mr. Arafat's headquarters that the Israelis' American-made jets so effectively destroyed. The Israelis would be on hand. Indeed there is reliable evidence that only by chance did Mr. Arafat not show up at a scheduled meeting at precisely the time of the Israeli attack.

So it is also idle to argue over motive. The Israeli government has reason enough to want to strike back at terrorists by way of deterrence; it suffers cruelly at their hands. But when they are predictable. That Mr. Arafat escaped does not alter the implications for U.S. policy.

This is the policy equivalent of a three-car collision. The Reagan administration officially renounces assassination. It professes to be pushing a peace process. And it encourages an Israeli approach to counter terrorism by pointing to U.S. policy. The United States considers

ready to talk to "all parties in pursuing a negotiated settlement, in an environment, free of belligerence and hostility."

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This is the policy equivalent of a three-car collision. The Reagan administration officially renounces assassination. It professes to be pushing a peace process. And it encourages an Israeli approach to counter terrorism by pointing to U.S. policy. The United States considers

ratification against terrorist attacks as a "legitimate expression of self-defense" — a policy that it apparently lacks either the will or the wit to practice for itself.

Make that a four-car collision: By proclaiming Israel to be a U.S. "security asset," the administration regularly invites the inference that whatever Israel may do in its own interests is perceived by the administration to be in U.S. interests as well. So when the White House confers "legitimacy" on Israel strikes against terrorist nests, wherever they are, it ought to be clear what it is legitimizing.

Defense Minister Yitzhak Rabin of Israel made it pretty clear: No "immunity" anywhere for terrorists in general and for PLO headquarters, in particular. Did that include Jordan, where the PLO has offices? Mr. Rabin scarcely needed to repeat himself; he had already pointedly and publicly warned of "dangers" to King Hussein if security on the West Bank "deteriorates."

Now you can make a case for one or another of these policies — but not all at once. There is no case to be made for seeking to engage Hussein and the other more moderate Arabs in a peaceful settlement while giving Israel a green light to ride roughshod across international frontiers anywhere in the Arab world.

Washington Post Writers Group.

This Show
S. Police

INTERNATIONAL Herald Tribune WEEKEND

October 4, 1985

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Parisian Anglers' Renaissance

PARIS — That Parisians are very contrary is hardly news. Pleased with themselves for being Parisian, they nonetheless use the word *parisianisme* to denote a sort of facetious sophistication. Urbane, they detest city slickers. Instead of skyscrapers and Mr. Pei's pyramid, they cherish for their village-like atmosphere.

MARY BLUME

small squares like the Place Dauphine. Even families who have lived here for generations are nostalgic for their rural roots.

So it can only come as good news that even the most dynamic Parisian executives may soon hang on their glassy office doors that most sympathetic of signs, "Gone Fishing." In the once-polluted Seine, the fish are biting again and fly fishermen are heading for trout-stocked lakes in the Bois de Boulogne.

Last week at the fourth Salon de la Pêche de Loisir, an international trade show for fishing tackle manufacturers, there were the usual displays of rods and reels, dry flies, wet flies, streamers and nymphs, waders and creels. There was also a display stand for APNLE (l'Association des Pêcheurs de Néau-Lévallois et Environs), a group that has pioneered trout fishing in the Bois de Boulogne.

APNLE is headed by a massive, blushing *sapeur-pompiers* named Edouard Arnal, who is based in a landlocked Paris firehouse but who dreams of the trout in his native Pyrenees. Almost single-handed, he has organized the stocking of six lakes in the Bois de Boulogne, as well as fly fishing lessons for members of his group and jolly meetings where Parisians can tell each other about the one that got away. On APNLE's display stand was a huge stuffed carp caught in the Bois. It weighed 27 kilos (59.5 pounds).

Another stand at the show belonged to the fishing magazine "Le Pêcheur de France," which has in its current issue a splendid article, "Take the Métro to Go Fishing." It was written by Michel Drouhiole — who also covered urban angling for *Le Monde* — with photographs by an ardent native Parisian angler, Jean-Claude Dufourat. Both men are in their 30s.

The Seine is a lot cleaner than it once was and fish are rising to the bait. The older generation of fishermen with their long bamboo rods has died out and younger Parisians do not yet know of the pleasures in store. At the moment, Dufourat reckons, there are only 200 anglers in central Paris. It is, so far, a sport devoid of snobbery — popular and very easy-going.

"The quality of the Seine was deplorable from 1968 to '78, and '73 was the most polluted year of all," Drouhiole said. "That was such a bad year that things could only get better, and they have."

Of course the passerby (the Paris angler who seeks peace may as well hang up his rod) always ask the fishermen if they eat their catch. Dufourat's answer is always the same.

"Sure, and I don't need to grease the pan because they are so oily." In fact the quality can be so good that some anglers are thought to be professional restaurateurs cutting down on fishmongers' bills.

"Fishing is Paris is very difficult, very chancey — a 3- or 4-kilo carp can get across the Seine in no time at all," Drouhiole said.

You can get 20 kilos a day or nothing at all."

Isn't that the usual angler's lament? "Yes, but Paris is particularly tricky, and Paris is particularly full of fish."

The most common catches, rubber tires and old boots aside, are *gardon*, or roach, which is fried when small and baked when large; *arbrete*, which translates into the unfortunate name of bleak; *sandre*, which doesn't seem to translate at all; and the occasional pike and perch. Fishing is allowed all year except for a brief closed season on pike, and the simplest tackle will suffice.

The two best spots for city fishing are probably the Allée des Cygnes; below the replica of the Statue of Liberty on the Pont de Grenelle; and the bank of the Ille St. Louis between the Pont Louis Philippe and the island's western tip.

"A carp off the Ille St. Louis are especially lively," Drouhiole said, "and for some reason they always follow the same route, starting from the bank, swimming to the Pont Louis Philippe, and then taking the diagonal to the Hôtel de Ville."

"The carp at the Ille St. Louis are very strong," Dufourat said. "A three-pounder has a much fight as a ten-pound trout."

ANOTHER good spot is next to the outdoor swimming pool, the Piscine Deligny. The long-popular Canal St. Martin is terribly noisy and parts have been blocked off, but at its bottom lurk *crevettes américaines* eager to swallow a hook baited with potato or carrot. (A French company that specializes in powdered ground bait to be sprinkled on the water's surface — flavors include couscous, barley and coconut — recommends a mixture called Magic Sausass for Paris, but ordinary maggots or earthworms are sufficient and can be found more easily than one might suppose at stores along the Seine.)

The left bank of the Ille St. Louis is too noisy for pleasant fishing. The Ille de la Cité offers Notre Dame but nothing special in the way of fish. The Pont de la Concorde is one of the rare spots where one can find *ranchi*, a fish the Larousse Gourmonique describes as delicate when it does not taste of mud.

The prefect of police did not wish to deprive Parisians of dreams so badly needed in urban settings. He liked to think that because the season was open, more than one Parisian might go to work of a morning a little less morosely, dreaming as he passed building sites, of open land and forest trails, and mistaking for a friendly gamekeeper the first traffic cop he meets.

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TRAVEL

Travels Without Donkey In France's Wild Cévennes

by Joseph Fitchett

FLORAC, France — A corner of France that has eluded the national passion for domesticating nature is the Cévennes, a mountain range in southwest France. Its winding river canyons, bare mesas and wooded hillsides are unspoiled. Dark slate-roofed hamlets, isolated and ageless, are often accessible only by a hump-backed stone bridge.

Tourism in the Cévennes — sometimes considered thin fare compared to the gastronomic and cultural richness of Provence across the Rhône or the Dordogne to the west — offers increasingly varied accommodation and interest.

A watershed between the Atlantic and the Mediterranean, the Cévennes offer contrasts that are savage by French standards. In winter the high plains are lashed by snow-filled winds that can bend double a cross-country skier. Summer is torrid, searing the hilltops and warming even the mountain-fed River Tarn on the floor of its winding, wooded gorge. Seeking pasture, sheep climb to cooler air. In the Cévennes are France's last drives of sheep on the hoof (not in trucks).

The people of the Cévennes are the descendants of stubborn pastoral Protestants who fought France's last war of religion. Three centuries ago this month, King Louis XIV revoked the Edict of Nantes, which had provided religious toleration in Catholic France. In response the peasants of the Cévennes waged a guerrilla war, keeping royal armies at bay for three years.

A quest for traces of the epic Cévennes produced a travel classic by Robert Louis Stevenson, who spent 12 days trekking through the mountains in 1878 and the next year published portions of his journal of the trip as "Travels with a Donkey in the Cévennes." Stevenson, who had been troubled by brushes with intolerance in his native Scotland, was fascinated by tales of the religious fanaticism that led to the Protestant revolt in Pont-de-Montvert, near Florac.

The head and forefront of the [royal] persecution, François de Langlade du Chayla, was a conscientious person, who seems to have been intended by nature to be a pirate. A missionary in his youth in China, he then suffered martyrdom, was left for dead, and only brought back to life by the charity of a parish. Having been a Christian martyr, Du Chayla became a Christian persecutor.

Protestant peasants, led by "Spirit Séguier," as his companions called him — a wool-cutter, tall, black-faced and toothless, but a man full of prophecy," attacked du Chayla's house, overwhelmed his soldiers and captured du Chayla. Dragged into the

main square, he was ritually stabbed to death by Séguier and each of his followers. Citing tortured relatives, "each gave his blood and a reason, then all kneeled and sang psalms around the body till the dawn.... 'Tis a wild night's work... and it seems as if a psalm must always have a sound of threatening in that town upon the Tarn."

Some stretch of the Tarn should be visited by boat. A little river tour near Malène in flat-bottomed boat manned by local oarsmen reveals a mysterious cliff formation in its looming beauty. More and more visitors, however, are taking to the light, supple fiber-glass canoes available all along the river.

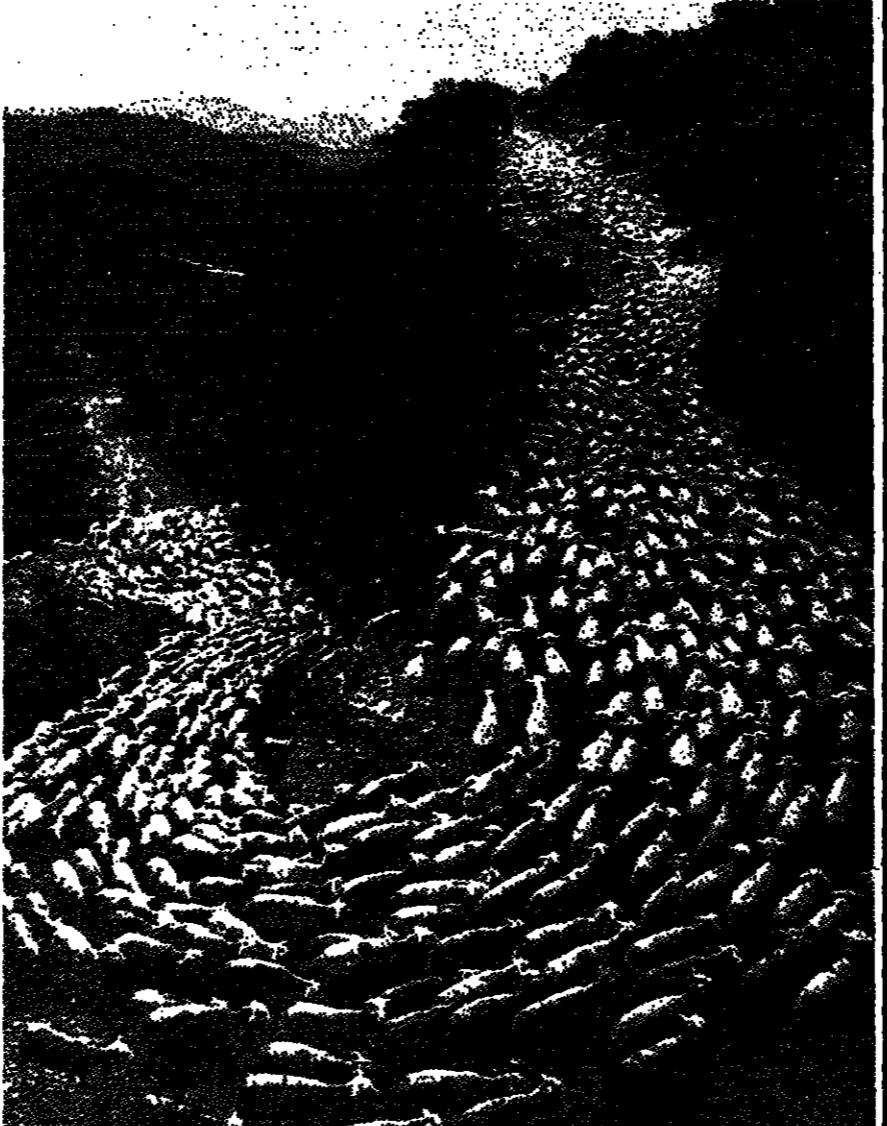
Canoeing the Tarn gorge, with its little rapids, is usually scarcely more dangerous or harder than punting at Oxford, though in early spring the swollen, ice-cold river can swirl unwary tourists into underwater caves in its banks and fatally pin them there.

We started one afternoon just outside Florac and paddled downstream for four hours — an easy, scenic trip, on transparent mountain water, through tame wilderness. Motorboats are banned, so the journey is constantly inviting for a swim or picnic. We chose a sunny day, on the advice of Freda White, whose 1952 book "Three Rivers of France" is an indispensable companion to Stevenson's journal (and was reissued in paperback last year by Faber and Faber). As White promised, "Under the sun, the rocks show their colors of red, red ochre, amber, blue and gray. Without light they dim."

CEVENNES meals fit outdoors appetites. Knowledgeable friends sent us to one of several local inns whose fare is partly supplied by poachers operating in the Cévennes National Park. It was an unpossessing roadside establishment near Malène, the only public hint of its specialties being a cryptic phrase on its sign: "augmented menu on request." That evening the "augmentation" was brook trout, which restaurants are not allowed to sell in France. Local officials who eat there (and act as protectors) report autumn feasts of game.

Tourist offices in Florac or Alès will provide schedules for the Cévennes' increasingly popular winter attraction: cross-country ski treks that take small parties for several days across the Causses, a huge plateau divided by river canyons. Occasional ruins of castle outposts are a reminder that this barren country was never able to support a town. On special short skies, led by an experienced guide, reasonably fit novice skiers can manage these treks.

For hikers or bikers, a detailed 187-kilometer route through the Cévennes, including a good map, may be found in Adam Nicolson's 1983 "Elf Book of Long Walks in France."



From Double Page No. 11 "Un Voyage dans les Cévennes," photo: Donald Fournier, text: Nicolas Domenech

In the hills of the Cévennes, sheep are still driven on the hoof.

From May to mid-October, a favorite hotel in the Cévennes is the Château de la Caze, a 15th-century castle in a bend of the Tarn. Just outside Malène, it is well situated for excursions on the gorge or over the deserted Causses. On a terrace overlooking the river, Madame Roux and her daughter serve elaborate versions of the region's cuisine and a memorable selection of *bœuf des Causses*, sheep's-milk cheese fresh enough to wipe out most memories of its better-known neighbor, Roquefort. Rooms range from \$30 (francs \$42) to 400 francs (\$50).

The best gateway to the Cévennes is Nîmes, so most visitors pass near Anduze, the Cévennes village where France's oldest pottery operates. The Anduze potters' big urns are still made to the design brought from Italy by Catherine de Médicis and

originally used for the orangerie in Versailles. Inexpensive, for handmade urns (less than \$75 for the largest), they take years to weather to the soft reddish hues for which they are renowned — and there is a yearlong waiting list for the largest size. But the Anduze potters refuse to step up their production. "People always seem to be in such a hurry," said one, describing what he judged to be the extravagance of flying a dozen urns to the United States. Pressed about the story, he produced the order form — from Bloomingdale's. "They wanted us to start exporting them," he said, adding that the potters had turned them down: "If you export, you have to mark 'Made in France,' and it would be silly for us to make a change like that after doing pots the same way in the same place for 350 years."

A Festival of Peppers In the Basque Country

ESPELETTE, France — Anywhere else in France, the garlands of fiery red peppers would look out of place. But here, in a Basque village too small to rate its own postal code, strings of peppers are perfectly at home, drying outside whitewashed farmhouses, decorating restaurant hearths and butcher shop windows.

PATRICIA WELLS

down, even serving as the subject of an annual festival the last Sunday of October.

All over the Pays Basque, the *piment d'Espelette* shows up fresh as well as dried, green as well as red. It is ground and chopped, pickled and stuffed, appearing in just about every dish that will take bold seasoning.

Young and barely piquant green peppers go fresh and whole into omelets or are chopped to season the vegetable and egg mixture known as *piperade*. A mild red Spanish variety is filled with a smooth salt-cod mixture and baked. The traditional hot red pepper, dried and ground, is used as liberally as ground black pepper anywhere else.

The *piment d'Espelette* is slender, three to four inches long (7.5 to 10 centimeters) and hot, but not ultra-hot. Rather, it is a marvelously elegant chili pepper with a rich, almost sweet piquancy, a heat that does not attack the throat or the back of the palate but offers a pleasant, lingering tingle on the middle of the palate and the tongue.

Hot peppers have been growing in the Pays Basque since the days of the Conquistadors, perhaps even since Columbus introduced hot peppers to Europe. Although the hazy, humid climate is hardly suited to the tropics-loving plant, *piment* has played such an important role in Basque culture that farmers have managed to breed more than a dozen varieties that thrive here.

In one famous Basque preparation, *jamón de Bayonne*, the dried, ground pepper serves two purposes: Rubbed into the bone of the ham as it cures, the pepper acts as a preservative. When rubbed on the exterior, the rosy red color gives the ham a festive look and adds, if only slightly, to the final flavor of the sliced meat.

Some scientists suggest that the reason people like hot peppers is that, in response to a burning tongue, the brain secretes endorphins, a natural opiate, providing the pleasant euphoria that can follow a spicy meal.

Whatever good feeling the chili provides, its cultivation demands tremendous manpower. Until 1983 there was no organized Basque pepper industry. Individual farmers grew the peppers, dried and ground them for their own consumption, and sold any excess.

A few years back, local restaurateurs and merchants noticed that fewer and fewer houses each September were decorated with the festoons of drying red peppers; fewer farmers were willing to devote the long hours to the harvesting, stringing, drying and grinding that generally kept the family occupied from early September to first frost.

To save the *piment d'Espelette*, farmers formed a cooperative called Biperra, Basque for *piment*, or hot pepper. It was through the cooperative that the dozen varieties developed by farmers were discovered, since every farmer saved his seeds from year to year.

"Out of those 12, we've selected out the four varieties we find the best," said Léon Darratou, commercial director of the cooperative. Now they are treating the pepper varieties the way winemakers treat different grape varieties — looking for the blend that produces a ground pepper that is complex and most typical of the region.

This season, 50 farmers will supply the cooperative with about 40 tons of peppers. These will be turned into powder or puree, pickled whole in vinegar, even blended with tomatoes and other spices for a Basque ketchup known as *ketchupade*.

One of the best places to celebrate the

piment d'Espelette is at the village's vine-covered restaurant, Euzkadi. In the long, family-style dining room of the traditional Basque house in the center of the village, Amrit Darratou (Léon's brother) serves a memorable *piperade au jambon* (here a spicy combination of garlic, onions, chili peppers, tomatoes and scrambled eggs), fresh pepper omelets, and *tripaxa*, an unusual veal bouillon, or blood sausage, served with a mildly spicy dark tomato sauce.

The most typical dish of the village is *esoxa*, a preparation of ground veal, onions and fresh chili, seasoned further with ground *piment d'Espelette*.

During the fall and winter the specialty to try is *salmo de palomber*, a dense, full-flavored stew prepared with local wild pigeons, red wine and vegetables. This is a mild dish, good for those who are not fond of strong-garlic flavors.

Euzkadi's daily specials include *Sanjurjo's souce confite au chou* and Sunday's *por au feu grand mère*. Wine choices range from the local Irouleguy (not a very interesting wine) to the more substantial Spanish Rioja. All the Biperra cooperative's products can be purchased at the restaurant to take home. (A selection of Biperra products can be found in Paris at Fauchon, 26 Place de la Madeleine, and at the Comptoir Alimentaire Landais et Basco-Bearnais, 52 Rue Mont-Laurière.) For details on this year's Fête du Piment d'Espelette, Oct. 27, contact the cooperative. Tel: (59) 29.87.57.

WHAT may well be the finest pepper omelet in France is found in Bayonne at one of the region's most authentic and charming bistros, Euskalduna, which is Basque for "Basque." This is not only a friendly, relaxed place but a pretty one as well: Blue and white gingham-checked curtains and tablecloths give it a homely air, as do the copper pots, old Ricard carafes and local posters. From the dining room you can sneak a look at the activity in the kitchen.

The restaurant is run by the friendly and outgoing Arroxa Aguirre. At first sight you may think she's a neophyte in the kitchen, until you find out that this 32-year-old has been at it since she was 13, when her mother, Geneviève Muruamendiaraz, tended the stove.

Calm and serious, she runs the small restaurant almost single-handedly, up early each morning to prepare pastries and get most of the dishes going. She turns the stove over to a single assistant during serving hours and tends the tables herself.

The pepper omelet — delicious not only for its fresh, mild green *piment* but for its incredibly fresh eggs — is served from June through October, when the green peppers are replaced by salt cod or fresh ones. During other times of the year, the eggs are mixed with potatoes or fresh onions and cooked just until set, with a nice, slightly runny interior.

Other dishes to try at Euskalduna include fresh white tuna from Saint-Jean-de-Luz smothered in soft, sweet onions cooked with a touch of vinegar and topped with more of those fabulous green peppers; and *chipirones a l'encre*, tooth-tender squid sliced into rings and cooked long and slow in the black squid ink. The farm-fresh sheep's cheese, a *brebis* from nearby Briscous, makes a happy marriage with the local red house wine.

Euzkadi, Rue Principale, Espelette, 64250 Cambo-les-Bains. Tel: (59) 29.91.88. Closed Monday, Tuesday, and two weeks at the end of February. Menu: al 30, 80, 100 and 115 francs, including service but not wine. *A la carte*, about 150 francs a person, including wine and service. No credit cards.

Euskalduna, 61 Rue Paucencu, 64100 Bayonne. Tel: (59) 59.28.02. Closed Sunday, nights and Mondays, and Oct. 20-Nov. 4 and Dec. 30-Jan. 10. *A la carte*, about 125 francs a person, including wine and service. No credit cards.

One of the best places to celebrate the

Minimalist Aesthetic *Continued from page 7*

While the music fits the action very well, Glass has recast it in suite form for the Nonesuch record.

Since the mid-1970s, Glass' major works have been his operas, including "Einstein." In between, he composes all manner of lesser efforts, some striking and others rather too obviously trivial and formulaic for example, "The Olympian — Lighting of the Torch," his corny anthem for the opening Olympic ceremonies, on the Columbia album "The Official Music of the XXIII Olympiad Los Angeles 1984." "Mishima," by and large, is one of his better pieces of such incidental music. There is some real color and drama to be heard, and the performances — again overseen by Munkacsy and Riesman, with the Kronos Quartet playing the string-quartet portions — are excellent.

If the "Satyagraha" set makes that score sound worse than it should, the new Nonesuch recording of Reich's "Desert Music" portrays the music in a more sympathetic light than the live performance at the Brooklyn Academy last year. The performers for the concerts and the recording were the same, with Michael Tilson Thomas conducting a chorus and members of the Brooklyn Philharmonic.

"The Desert Music" is an ambitious choral setting of poems

by William Carlos Williams that in part seem to articulate a minimalist aesthetic and its mystical underpinnings. Last year, the score sounded like a slightly stale rebash of many of the musical devices ("mannerisms") Reich had conjured up over the previous decade. But on this record there is so much real beauty (the feathered, floating string passages, for instance), and the choral passages seem so much better integrated into the context of the whole, that the piece sounds genuinely important.

The real minimalist pioneer was Riley, whose "In C" of 1964 — a piece in which Reich had a hand — defined the minimalist aesthetic.

Since then, Riley's career has not developed as flamboyantly as those of Reich and Glass. Mostly this is because he retreated for many years into the study of classical Indian music, a study that had serious religious overtones.

Recently, however, he has begun to emerge on records again with music that suggests a real effort to reclaim his status as a Western composer while incorporating his absorption in Eastern music. The Kronos Quartet has issued a two-LP Riley album on Gramavision-Gravity, "Cadenza on the Night Plain and Other String Quartets," and the West German Kuckuck

label has a disk entitled "Songs for the 10 Voices of the Two Prophets." The string-quartet album has a somewhat stiff quality, as if Riley's inspiration, which he is accustomed to spinning out in fluid solo keyboard improvisations, was constrained by the academic formality of the medium. But there is a real charm to these pieces and the Kronos musicians play them beautifully.

The Kuckuck record combines purring synthesizer playing from Riley (the album title, for all its transcendent overtones, also refers to Riley's Prophet 5 synthesizers) with English lyrics sung by the composer in a soft, slightly husky baritone. The texts are elliptical and spacey, and the music is full of the melismatic ornamentation and gentle glow of the slow introductory portion of an Indian raga exposition. Yet the textures of the synthesizers, while recalling the harmonium familiar in some Indian music, have a distinctly Western flavor, as well.

This may not be a Western compositional statement of the magnitude to which Glass and Reich aspire in their major scores. But as an honest and unassuming personal example of the fusion of India and the West, it speaks from the same impulses as "Satyagraha" and has much to offer.

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label has a disk entitled "Songs for the 10 Voices of the Two Prophets." The string-quartet album has a somewhat stiff quality, as if Riley's inspiration, which he is accustomed to spinning out in fluid solo keyboard improvisations, was constrained by the academic formality of the medium. But there is a real charm to these pieces and the Kronos musicians play them beautifully.

The Kuckuck record combines purring synthesizer playing from Riley (the album title, for all its transcendent overtones, also refers to Riley's Prophet 5 synthesizers) with English lyrics sung by the composer in a soft, slightly husky baritone. The texts are elliptical and spacey, and the music is full of the melismatic ornamentation and gentle glow of the slow introductory portion of an Indian raga exposition. Yet the textures of the synthesizers, while recalling the harmonium familiar in some Indian music, have a distinctly Western flavor, as well.

This may not be a Western compositional statement of the magnitude to which Glass and Reich aspire in their major scores. But as an honest and unassuming personal example of the fusion of India and the West, it speaks from the same impulses as "Satyagraha" and has much to offer.

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label has a

FOR FUN AND PROFIT

To Save Money on Travel,
Start Your Own Agency

by Roger Collis

HOW can a company cut its travel costs about 10 percent, get better travel service and make a pretax profit of 5 percent or more on every travel dollar it spends? By going into the travel business — not by going it alone (this can be costly and hazardous for a company that lacks expertise and clout in a jungle of airline deals and bulk discounts) but by forming a joint venture with an established travel agency that will manage and staff an agency on the company's premises, dedicated to its specific travel needs, in return for 50 percent of the profit.

So far, 20 companies, including banks, advertising agencies, multinational trading and construction firms and a Fleet Street newspaper, The Daily Telegraph, are doing just this through a novel program called the Phoenix Travel Partnership, marketed by a London-based group, Phoenix Travel.

A company with an annual travel budget of at least £300,000 (\$420,000) enters into a partnership with the holding company of Phoenix Travel. A new travel agency is formed with a paid-up share capital of £20,000, the minimum required for recognition by the International Air Transport Association. Each partner holds 50 percent of the equity. The board consists of executives from both sides. The manager and staff are appointed and trained by Phoenix Premises, usually in the company's premises, are rented to the joint venture. The agency may work exclusively as an in-house travel department or solicit business from outside. For example, The Daily Telegraph, to its surprise and delight, has built up an agency with annual sales of more than £1 million, only 20 percent of which is for the newspaper.

Phoenix is a privately held company with revenue of £30 million (75 percent of this in joint ventures) and pretax profit of about 4 percent. Profit at some of the joint ventures is as high as 10 percent. Michael Lancaster, Phoenix's chairman, said the program was so successful that "group" profit per £1,000 of turnover is higher than any of the multiples of major travel agencies, such as Hogg Robinson, Lunn Poly and American Express — the last of which, Lancaster claimed, is losing money on its travel services.

Competition in the business-travel market has become so intense that travel agents woo corporate customers with promises of cost savings, improved services, management information reports and discounts on air fares and hotels. Most agents give extended credit to corporate customers — for instance, 45 to 60 days — even though the agents have to pay the airlines by the 15th of the following month. Agents routinely give customers rebates on their normal 9-percent commission; 2 to 3 percent is usual, 6 to 7 percent not uncommon. Consequently, agents may be earning as little as 1 to 2 percent on turnover.

The problem is that, however high a discount you get, you can never be sure the agent is choosing the most economic way to go. Agents earn "override" commissions on some airlines and routes, which can be as high as 40 percent. Apart from not passing these on to you, they may be biased in sending someone on a direct flight from London to Dar es Salaam instead of a less expensive routing through Geneva.

Iqbal Meer, general counsel of ITM, a \$500-million trading conglomerate that has joint ventures with Phoenix in London and New York, said it was also a question of commitment. "If I went to the travel agent down the road with 12 destinations in Africa and asked him to let me have the most cost-effective itinerary for routing one of our executives, he will probably have to spend half a day to work it out. Now, whether he's prepared to do that service for the ticket he's going to sell me, I have my doubts."

Some travel ventures are providing a real financial return.

of £1 million, has pretax profit of 6 to 7 percent. He believes turnover could grow to £1.5 million without adding staff.

All of Phoenix's joint ventures benefit from the override commissions and bulk discounts negotiated by the group. "We hide nothing," Lancaster said. The benefit to Phoenix is shared costs and the ability to open new ventures without capital risk. The parent company has virtually no overdraft, as a condition for the partners is that they settle invoices by the 12th of the month. Typically, the company's computer is directly linked with that of its joint venture.

Lancaster said a major advantage of the program for American companies is that it provides a way to circumvent U.S. regulations preventing an organization from owning a travel company unless the corporation's travel business is less than one third of the travel company's turnover. This rule does not apply if an overseas subsidiary forms a travel joint venture and sets up an office in New York, as ITM and at least one major bank have done. Another advantage of having a joint venture in New York and London is that the two offices can work out the best way to ticket international travel.

Some joint venture partners use their travel agencies as a means to transfer money from countries with stringent exchange control regulations. This can be done by prepaid ticketing and other more arcane methods that Phoenix is reluctant to talk about. Some companies use their share of the profits to give untaxed travel benefits to executives. And all employees of joint venture partners get a 5-percent discount on vacation packages.

There is one perk in particular that may tempt the most skeptical company into running its own travel agency. As a director, an executive qualifies for agency staff rebates on air tickets, car rentals and hotel rooms. For example, each of IATA's 60 airlines allocates two tickets a year at a 75-percent discount to each accredited sales office. Non-IATA airlines may be even more generous. And many carriers offer free tickets as promotions and rewards for a certain volume of business. This means that even the most pernicious executive can enjoy virtually free travel anywhere in the world.

David Hare *Continued from page 7*

theater is under attack from a right-wing government. Let us, therefore, use the National Theatre to attack that government from a nationalized stage."

With prospering careers as playwright, director and filmmaker, Hare is peripatetic. He spent the summer on the run between London and New York, redacting the production of "Pravda" at the National, directing "A Map of the World" in New York, preparing for the opening of the movies "Wetherby" and "Plenty" and finding time to take his three children camping in France.

Redacting "Pravda," Hare led his actors through small alterations in dialogue, occasionally acting out a sequence and bellying his professed lack of ability for performing. His directorial approach was confidential rather than autocratic, yet there was never a question about who was in charge.

In New York, rehearsals of "A Map of the World" were demanding. The production is physically complex and there was the additional difficulty of getting the American actors adjusted to unfamiliar political material and a fragmented, cinematic style of storytelling.

One day, rehearsing at the Public Theater, Hare — dressed in his customary jeans and sneakers, shirtsleeves rolled up — stood in the orchestra and led his actors slowly through their paces, worrying less about the lines than about stagecraft. At one point, he told Elizabeth McGovern, who has a leading role, that he wanted her not to be naturalistic but to be in a state of "animated suspension." Both the director and the actress smiled at that. How do you play "animated suspension?"

Excerpted from The New York Times Magazine.

DOONESBURY



TRAVEL

Connecticut's Small Shoreline Towns

by Nancy Jenkins

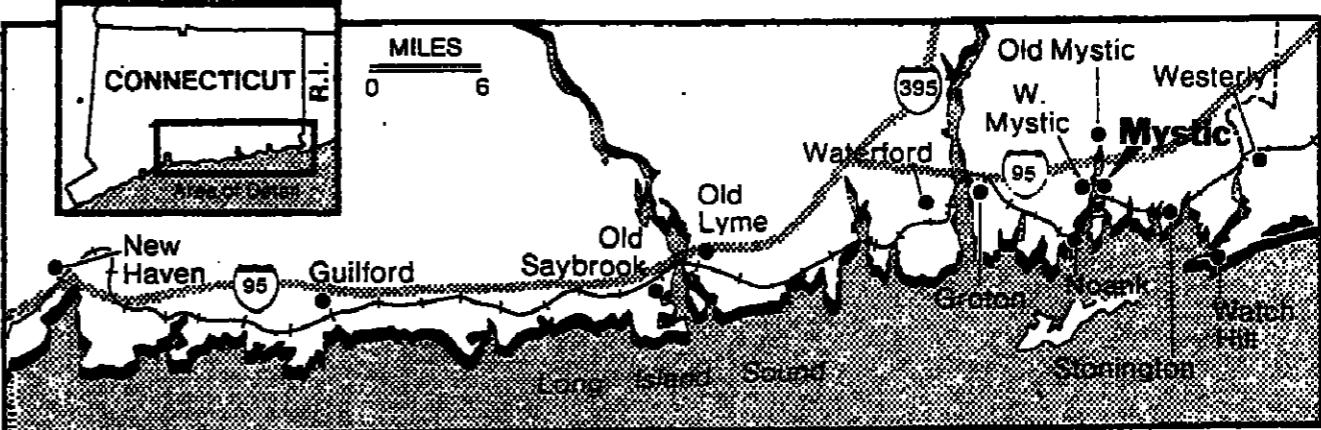
CONNECTICUT may officially be part of New England, but there are vast stretches from the New York border eastward that look suspiciously like suburbs of New York City. Not until you get beyond New Haven does New England really begin. There the population starts to thin out, the urban sprawl swings north toward Hartford, and the shoreline's towns and villages begin to take on that air of huddled concentration around a harbor, a river, a white-painted steeple that spells New England in earnest.

With easy access from New York — by car along Interstate 95 or on Amtrak's Boston-bound trains, many of which make stops on the shoreline — these quietly bustling, hand-some little towns have a special appeal. They are full of interest and even a certain easygoing, rustic kind of sophistication.

Guilford, Saybrook, Lyme and Old Lyme, Waterford, Groton and Stonington — the towns along this stretch of the Connecticut shore have their origins largely in the mid-17th century, when disgruntled and adventurous offshoots of the colony of Massachusetts Bay Puritans threaded their way down the winding rivers and along the deeply indented shoreline south of Cape Cod. From their earliest beginnings, these were towns that made their living from the sea — fishing, coastal trading and, for a brief but glorious period, whaling. Shipbuilding was the most important industry, the one that made all the rest possible.

The towns still focus on the sea but today are apt to be geared toward recreation. While Stonington is still a commercial fishing port of some importance, and the old shipbuilding tradition is maintained at General Dynamics' Electric Boat Division in Groton, this kind of enterprise is limited. Yacht clubs and sailboat refinishers are more common than the old shipyards, and ship's chandlers, ropewalks and sail lofts have been replaced by hotels, restaurants, gift shops and the inevitable condominiums.

Of all the towns along the shore, none was more important in its mid-19th-century heyday than Mystic. The town's chief chronicler, Carl C. Cutler, a founder of the Mystic Seaport Museum, said this little town, hardly more than a village, produced "more noted captains, a greater tonnage of fine ships and a larger number of important sailing records than any place of its size in the world." Cutler estimated that more than 1,000 ves-



sels, from 30-ton sloops to the 1,679-ton Cape Horn clipper David Crockett, had been built along the banks of the Mystic River over a century and a half — an astonishing record for a town whose population rarely exceeded 1,500.

Much of Mystic's appeal is as a center from which to explore the surrounding seashore and the hills that rise behind the shore. Along with the broad stretches of sandy well-marked trails, vineyards, cider mills, and other, almost equally charming towns and villages within easy reach. Fishing boats and sailboats can be hired for daylong and half-day excursions.

The star attraction is Mystic Seaport Museum, a monument not just to the past of a Yankee whaling and shipbuilding town but to the maritime history of the United States. Begun in 1929 as a local marine historical association, the museum is not, as popularly believed, a re-creation of the 19th-century town of Mystic. Drawn from many sources, it is intended to be an idealized New England seaport.

On the nearly 40-acre (16-hectare) site of the George Greenman shipyard, one of the largest shipbuilding outfits in Connecticut in the mid-19th century, the museum has 60 buildings, including houses, shops, industrial and commercial buildings, even the tiny Fishtown Chapel. It also has about 300 historic craft, including the Charles W. Morgan, the last of the great Yankee whaling ships, built near New Bedford in 1841; the Joseph Conrad, a Danish-built, square-rigged training vessel; and the L.A. Dunton, a Banks fishing schooner built in Essex, Massachusetts, in 1921.

At this time of year, the crowds begin to thin and it becomes easier to glimpse what life must have been like in a town like Mystic 150 years ago. Much of the re-created town works: at the print shop, the Liberty clamshell platen press, built in 1880, prints documents for the museum; the shipsmith makes ironwork for rigging the seaport's vessels; at the Preservation Shipyard most of the constant work of repairing and refurbishing goes on in full view of the visitor.

The museum library is a valuable resource for researchers and students of maritime history as well as for genealogists tracing a family connection to New England. The Morris and Stanley Rosenfeld collection of historic ship and yachting photographs, a recent acquisition, should also be of great interest once it is cataloged and displayed.

A Rivers go, the Mystic is short. It rises in a marsh of sedge and cat tails, curves under the interstate, broadens in a smooth-flowing arc that divides the towns of Groton and Stonington, narrows again to sweep under the Mystic drawbridge, then courses down to the sea at Noank, about five miles (eight kilometers) from where it began. In good weather, the road to Noank — State Route 215 south from West Mystic — makes a splendid bicycle tour, with plenty of downhill runs to complement the occasional uphill struggle.

Mystic offers other attractions. Gravel Cliff and High Streets, lined with early- and mid-19th century homes of seamen, ship-builders and whaling captains, climbing the hill to the imposing Union Baptist Church, provide a pleasant hour's walk. Farther afield, the Denison homestead, another historic house, is next to the Denison Pequotose Nature Center, a 125-acre natural sanctuary with a number of trails, including one laid out for the blind, complete with braille notices. There are beaches at Noank and at adjacent Groton Long Point.

Five miles from Mystic along highway U.S. 1 is Stonington, which for all its atmosphere of literary and artistic gentility is home port for Connecticut's only remaining commercial fishing fleet. A good place to begin a walking tour of Stonington is at the far end of Water Street, where the Old Lightouse Museum, an octagonal tower and granite building, houses the collection of the Stonington Historical Society.

Stonington's houses are, if anything, better preserved, more numerous and of greater interest than Mystic's, and a stroll along Water and Main Streets is a pleasant way to occupy an hour or two. There are lots of gambrel roofs, lots of Greek Revival details and a certain amount of Tara-like pomposity. Like Nantucket, Edgartown and the old parts of Newport, which it much resembles. Stonington has streets lined with rather large houses set closely together and crowding out to the edges of their lots. The closeness of it all presents a sense that everything is well ordered.

Touring vineyards may not be an activity usually associated with the Connecticut shore, but the Clarke Vineyard (tel. 203-535-0235) on Taugus Road, just north of Mystic, is a commercial vineyard (chardonnay, pinot noir, riesling, sauvignon) that welcomes visitors until about the middle of October, when volunteers are needed to help with the grape harvest.

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Erich von Stroheim Anniversary *Continued from page 7*

Stroheim had to direct "The Merry Widow," starring Mae Murray and John Gilbert. He revised the operetta libretto into a romantic melodrama that delighted gushing fans but had sordid touches that pleased spectators of intelligence. Its success helped secure the future of MGM.

Pat Powers, an independent producer who was an old friend and admirer of Stroheim, now asked the director to do a film for his organization. Stroheim had in mind a story about Alt Wien starring himself as an Austrian prince forced to marry for money despite his love for a girl of the people. In essence it was a variation on "Old Heidelberg," but in its treatment "The Wedding March" was a study of a great empire in decay.

Again rebuilding Vienna, Stroheim had 37 magnificent sets constructed, reproducing St. Stephen's cathedral, the Hofburg palace and the Graben avenue. After "The Wedding March" had been before the cameras seven months, Powers grew worried and sold his holding to Paramount. The first half of the film has startling strength and pictorial splendor, but the second half was mangled by clumsy editing into a separate film and Stroheim forbade its showing in the United States. Seen abroad as "The Honeymoon," it was lost when the only known copy was burned in 1957 in a fire at the Cinematheque in Paris.

"Queen Kelly," begun in 1928, had been conceived as a silent film. When talking pictures seemed certain to replace the silents, Kennedy halted production. This action, it proved, terminated Stroheim's career as director. He was engaged by Fox to direct a talkie, "Walking Down Broadway," but uncomprehending executives withheld it from distribution and subsequently destroyed it. Stroheim was deemed a dangerous financial risk and he was reduced to acting under the direction of lesser men.

In 1936 he was rescued from oblivion by a call to act in a French film. His sympathetic performance as the German prison camp commander in Jean Renoir's "La Grande Illusion" restored him to stardom, and he was much in demand.

Though none of the major films Stroheim directed can be seen as he constructed them, all exude a compelling force. As a paragraph by a great writer can disclose a distinctive creator, his methods warrant examination.

Frank Capra tells in his autobiography of his disappointment when as a message boy he watched Stroheim shooting a short scene for "Greed" that Capra concluded he could have got through in a jiffy. Certainly he might have registered the scene quickly, but to what effect? He mentions the endless retakes in work that took most of the night, the players on the verge of revolt as they were stung by bullying commands — all for a simple scene in an office, concerning a violent dispute between two men. But what went into the scene lent it a power that survives.

Stroheim cast a spell over his co-workers,

as a journalist who visited another "Greed" location testified. The company was about to rehearse a scene in the tenement house where the dim-witted dentist, McTeague, lives with his wistful wife, Trina, who hordes the money she has won in a lottery as the two sink into poverty. Everyone connected with the

production spoke of McTeague and Trina as people might of neighbors, gossiping about their traits and habits. Here is the seed of the magic that made these characters real to audiences. The art of Stroheim was not so much matter-of-fact realism as form of direct communication.

"An artist of genius is one who creates without imitating, and who draws out of the depths of his own being the least predictable part of his work," René Clair once wrote. "How many in the history of the cinema fit this definition? Whatever their number, Erich von Stroheim is at their head."



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4-10-85

DOONESBURY



TECHNOLOGY

Electronic Imaging Is Seen Having Revolutionary Role

By DAVID E. SANGER
New York Times Service

NEW YORK — At the Smithsonian Institution's cavernous National Air and Space Museum, many of Orville and Wilbur Wright's aircraft drawings are crumbling. So are thousands of other brittle design sketches from the early days of flight, kept in a warehouse a few miles from the museum floor where throngs of visitors each day gaze at the Kitty Hawk and the Apollo-11 space capsule.

Soon, however, Smithsonian officials hope those drawings will be at the fingertips of anyone with an International Business Machines Corp.-compatible personal computer. Using a mix of commercial equipment and software of their own design, archivists have begun to scan thousands of drawings, documents and photographs electronically, digitizing the images and storing them on magnetic and optical disks.

"What's remarkable is that this is more than just a storage and retrieval system," said Robert L. Martello, who is working on the project at the museum. "People will actually be able to tinker with the designs on their screens," toying perhaps with different wing designs for the Spirit of St. Louis, or dropping the images into books and reports.

Electronic imaging has been around for a while, but until recently it has been possible only on very costly computer systems that only the biggest architectural companies, aerospace designers or auto manufacturers could afford. Now, however, a host of products are coming to market that make it possible to merge text, photographs and drawings on ordinary personal computers, often for a few hundred or a few thousand dollars. The result, many believe, could be revolutionary, both for the publishing industry and for office workers.

Not surprisingly, more than 90 percent of the data fed into personal computers is alphanumeric — text or numbers. But entering a ream of data already printed on paper is laborious. Thus, most of the scanners available for personal computers are optical character recognition devices, essentially small cameras that run over a page of text, detect light from dark, then try to discern the distinctive shape of each typewritten character.

ONE BY ONE, the scanner translates those shapes into a signal sent to the computer, one from that the microprocessor's perspective looks identical to the signal received when a typist presses a key on the keyboard.

Pictures and drawings, however, must be handled differently. Because they can take on an infinite number of shapes and shades, they cannot be "recognized" by the computer. So image processors partition the picture into thousands of pieces, like the tiny dots that make up a newspaper photograph. Those dots are detected by a light-sensitive semiconductor, which translates them in digital form to the computer. Later, the image can be reassembled dot by dot.

Storing the data and making it useful, however, are two different things. "What's new for personal computers is the application software that parses the images, interprets them, and merges them with the text," said Rolando Estevaneira, president of Datacopy Corp., a Mountain View, California, company that markets a \$4,000 scanning device for a variety of personal computers.

The application software can identify each image, and associate it with a text file. Thus, a personnel file stored in a database program could display far more than just an employee's name, address, salary and employment history. It might also bear his picture, a replica of his signature, and perhaps even a fingerprint — limited only by the resolution of the display screen.

But as manufacturers of the systems concede, photographs and drawings consume enormous amounts of memory. An 8½-by-11-inch (21.7-by-28.2-centimeter) photograph could contain from 4

(Continued on Page 17, Col. 4)

Currency Rates

Cross Rates									
S	E	D.M.	F.F.	H.L.	Gdr.	S.R.	Yen	GB.	SDR
Amsterdam	1.984	4.299	732.25	34.00	1.945	—	1.954	1.96	1.96
Buenos Aires	2.455	4.295	26.25	—	1.959	—	24.05	—	—
Brisbane	2.449	2.74	—	32.00	1.975	4.927	32.25	1.234	—
London (B)	1.425	—	1.279	11.835	1.479	—	75.7	3.085	SDR
Milan	1.787	2.2825	67.95	21.45	—	59.65	31.9	2.815	—
New York (C)	—	0.7073	2.6	0.85	—	2.84	31.2	2.162	2.162
Paris	8.075	11.14	1.625	—	—	—	11.14	—	—
Tokyo	22.10	22.10	—	24.44	11.77	71.35	30.25	9.115	—
Zurich	2.446	3.052	81.05	24.25	7.405	4.955	—	1.803	—
1 ECU	0.892	0.9702	2.284	0.7482	1.4945	2.475	44.805	1.864	17.95
1 SDR	1.042	0.7519	2.1745	0.6	1.910	0.7519	57.284	2.265	22.285

Crosses in London and Zurich. Dollars in other European centers. New York rates of 4 P.M.

(a) Commercial franc (b) Amounts needed to buy one pound (c) Amounts needed to buy one dollar; (*) Units of 100 (x) Units of 1,000 (y) Units of 10,000 (z) Not quoted; N.A.: not available

(*) To buy one pound: \$1.00/1.00

(Continued on Page 17, Col. 4)

Interest Rates

Eurocurrency Deposits									
Dollar	Deutsch	Swiss	French	ECU	Yen	GB.	SDR	Yen	SDR
1 month	7.75	9.4	4.4	1.05	1.05	1.05	1.05	1.05	1.05
2 months	8.81	10.4	5.4	1.15	1.15	1.15	1.15	1.15	1.15
3 months	9.34	10.4	5.4	1.15	1.15	1.15	1.15	1.15	1.15
4 months	9.64	10.4	5.4	1.15	1.15	1.15	1.15	1.15	1.15
1 year	9.74	10.4	5.4	1.15	1.15	1.15	1.15	1.15	1.15

Key Money Rates

Asian Dollar Deposits									
Oct. 3	Oct. 3	Oct. 3	Oct. 3	Oct. 3	Oct. 3	Oct. 3	Oct. 3	Oct. 3	Oct. 3
United States	7%	7%	7%	7%	7%	7%	7%	7%	7%
Discount Rate	7%	7%	7%	7%	7%	7%	7%	7%	7%
Federal Funds	7.25	7.15/1.6	7.25	7.25	7.25	7.25	7.25	7.25	7.25
Prime Rate	9%	9%	9%	9%	9%	9%	9%	9%	9%
Broker Loan Rate	9%	9%	9%	9%	9%	9%	9%	9%	9%
Call Money	7.25/10.75	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
Commercial Paper	8.25	7.81	7.81	7.81	7.81	7.81	7.81	7.81	7.81
Medium-Term Bills	7.22	7.20	7.20	7.20	7.20	7.20	7.20	7.20	7.20
Long-Term Bills	7.28	7.25	7.25	7.25	7.25	7.25	7.25	7.25	7.25
CDs 30-90 Days	7.35	7.35	7.35	7.35	7.35	7.35	7.35	7.35	7.35
CDs 90-180 Days	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40	7.40

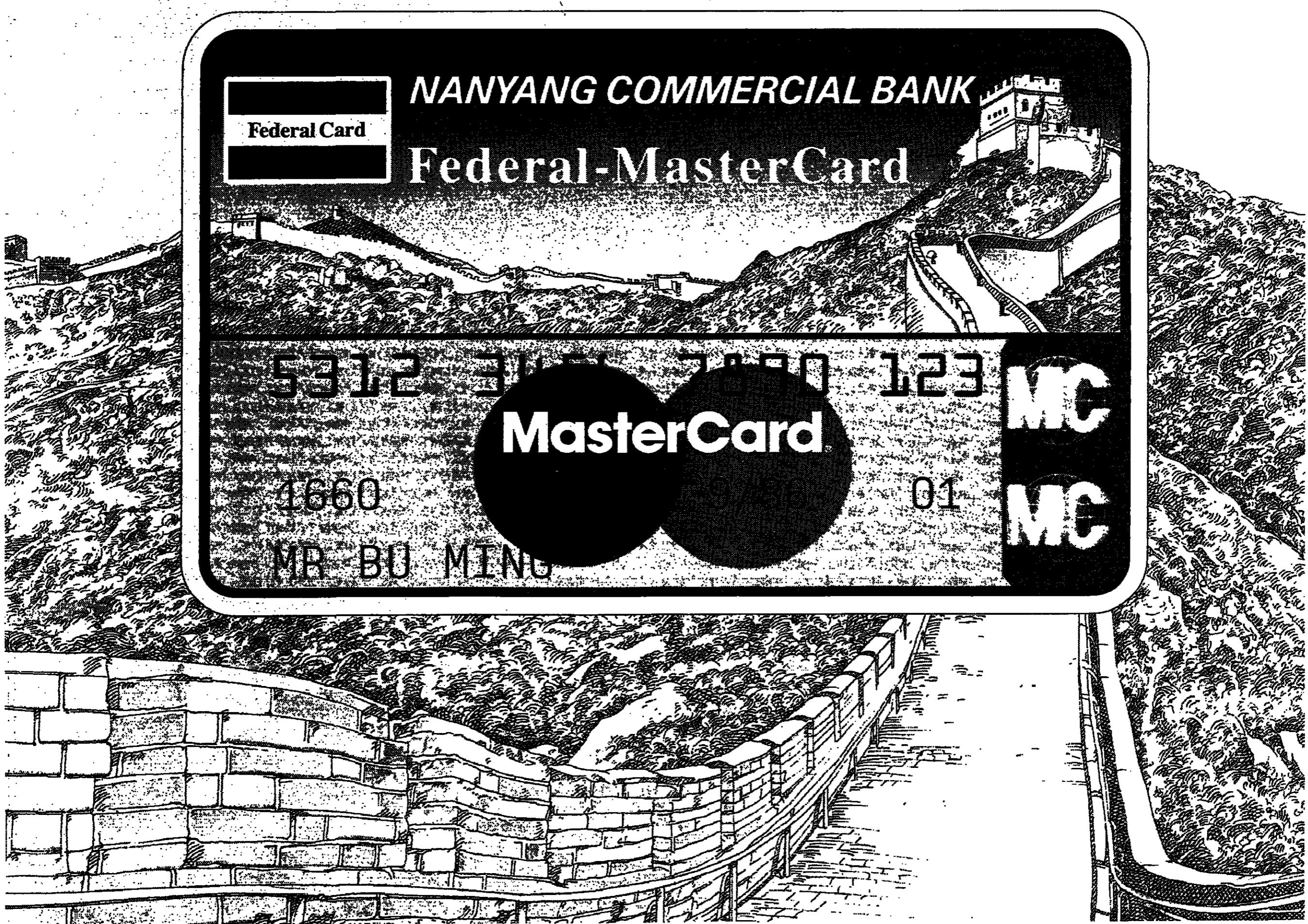
U.S. Money Market Funds

Interest Rates									
Dollar	Deutsch	Swiss	French	ECU	Yen	GB.	SDR	Yen	SDR
1 month	7.75	9.4	4.4	1.05	1.05	1.05	1.05	1.05	1.05
2 months	8.81	10.4	5.4	1.15	1.15	1.15	1.15	1.15	1.15
3 months	9.34	10.4	5.4	1.15	1.15	1.15	1.15	1.15	1.15
4 months	9.64	10.4	5.4	1.15	1.15	1.15	1.15	1.15	1.15
1 year	9.74	10.4	5.4	1.15	1.15	1.15	1.15	1.15	1.15

Gold

Gold									
Oct. 3	A.M.	P.M.	Close	Oct. 3					
None	224.45	224.45	Unc.	Unc.	Unc.	Unc.	Unc.	Unc.	Unc.
Luxembourg	224.75	224.75	Unc.	Unc.	Unc.	Unc.	Unc.	Unc.	Unc.
Paris (12.5 Kilo)	225.91	225.91	+2.35	225.91	225.91	225.91	225.91	225.91	225.91
Zurich	224.65	225.05	+1.40	225.05	225.05	225.05	225.05	225.05	225.05
London	224.75	225.05	+2.25	225.05	225.05	225			

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Thursday's **AMEX** Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere

U.S. Futures

Ch. 3

Season	Season	Open	High	Low	Close	Chg.
High	Low					
Grains						
WHEAT (CBT)						
5,000 bu minimum-	maximum-	dollars per bushel				
2,500	2,700	Dec	2,971	2,85	2,954	+29
2,700	2,87	Mar	3,045	3,017	3,02	-1
3,740	3,84	May	3,96	3,94	3,98	-1
4,02	3,94	July	4,04	3,98	4,02	-1
3,720	2,43	Oct	2,82	2,85	2,824	+1
3,45	2,67	Sep	2,82	2,804	2,861	+1
Est. Sales		Prev. Sales	4,706			
Prev. Day Open Int.	32,003	Up 157				
CORN (CBT)						
5,000 bu minimum-	maximum-	dollars per bushel				
6,48	5,82	Dec	5,004	5,014	5,014	+1
5,21	5,24	Jan	5,22	5,22	5,19	-1
5,22	5,24	Mar	5,32	5,36	5,31	-1
5,42	5,41	May	5,42	5,42	5,42	+1
7,79	5,31	July	5,49	5,53	5,48	-1
5,58	5,34	Oct	5,49	5,53	5,48	-1
6,74	5,25	Sep	5,43	5,53	5,43	+1
5,28	5,32	Dec	5,42	5,42	5,42	+1
6,20	5,28	Nov	5,43	5,48	5,43	+1
5,63	5,54	Jan	5,43	5,48	5,43	+1
Est. Sales		Prev. Sales	16,372			
Prev. Day Open Int.	12,967	Off 12				
SOYBEAN (CBT)						
5,000 bu minimum-	maximum-	dollars per bushel				
6,48	5,82	Dec	5,004	5,014	5,014	+1
5,21	5,24	Jan	5,22	5,22	5,19	-1
5,22	5,24	Mar	5,32	5,36	5,31	-1
5,42	5,41	May	5,42	5,42	5,42	+1
7,79	5,31	July	5,49	5,53	5,48	-1
5,58	5,34	Oct	5,49	5,53	5,48	-1
6,74	5,25	Sep	5,43	5,53	5,43	+1
5,28	5,32	Dec	5,42	5,42	5,42	+1
6,20	5,28	Nov	5,43	5,48	5,43	+1
5,63	5,54	Jan	5,43	5,48	5,43	+1
Est. Sales		Prev. Sales	12,185			
Prev. Day Open Int.	81,163	Off 150				
SOYBEAN MEAL (CBT)						
100 tons-dollars per ton						
180.50	122.00	Oct	120.40	121.30	120.00	122.20
180.50	122.00	Dec	123.50	124.20	123.50	125.40
180.50	122.00	Jan	127.10	127.10	124.70	125.10
180.50	122.00	Mar	128.50	129.30	127.30	128.30
180.50	122.00	May	130.00	130.00	129.00	130.00
180.50	122.00	July	140.00	141.00	140.00	142.00
180.50	122.00	Oct	141.60	142.00	140.50	142.50
180.50	122.00	Sep	142.00	142.00	141.50	141.50
180.50	122.00	Dec	140.00	140.00	140.00	140.00
Est. Sales		Prev. Sales	12,432			
Prev. Day Open Int.	37,733	Up 29				
SOYBEAN OIL (CBT)						
40,000 lbs-dollars per 100 lbs						
30.37	20.40	Oct	21.05	21.28	20.95	20.00
29.55	20.40	Dec	21.05	21.28	20.95	20.00
29.07	20.40	Jan	21.35	21.35	20.95	20.00
28.40	21.15	Mar	21.10	21.75	21.25	21.25
27.45	21.15	May	21.80	22.05	21.70	21.70
26.15	21.25	July	22.25	22.28	22.00	22.05
25.15	21.20	Aug	22.38	22.40	22.15	22.15
24.05	21.20	Sep	22.45	22.55	22.20	22.20
22.80	22.00	Oct	22.50	22.50	22.00	22.05
Est. Sales		Prev. Sales	7,224			
Prev. Day Open Int.	45,181	Off 365				
OATS (CBT)						
5,000 bu minimum-dollars per bushel						
1,824	1,21	Dec	1,25	1,25	1,245	1,251
1,674	1,24	Mar	1,31	1,31	1,23	-1
1,43	1,27	May	1,37	1,37	1,37	+1
1,34	1,26	July	1,37	1,37	1,35	+1
1,34	1,26	Oct	1,37	1,37	1,35	+1
Est. Sales		Prev. Sales	271			
Prev. Day Open Int.	3,263	Up 26				
Livestock						
CATTLE (CME)						
40,000 lbs-cent/s per lb.						
65.90	52.20	Oct	58.40	59.70	58.55	59.70
67.85	55.00	Dec	62.30	63.30	62.15	62.87
67.45	54.15	Feb	61.20	62.10	61.00	61.50
67.57	55.30	Apr	62.15	62.70	61.90	62.12
64.25	52.20	June	62.85	63.49	62.57	63.22
65.40	55.20	Aug	61.47	61.75	60.85	61.20
60.30	51.10	Oct	60.30	60.60	60.10	60.30
Est. Sales	22,073	Prev. Sales	21,574			
Prev. Day Open Int.	49,473	Off 72				
FEEDER CATTLE (CME)						
44,000 lbs-cent/s per lb.						
72.32	58.45	Oct	64.40	65.40	64.40	65.35
73.20	58.10	Nov	66.90	68.00	66.90	67.75
79.40	60.50	Jan	69.35	70.00	69.50	69.52
71.70	60.42	Mar	69.90	70.45	69.55	69.95
71.00	60.40	April	69.50	69.75	69.10	69.50
70.00	60.10	May	68.50	68.70	68.35	68.45
68.50	65.75	Aug	68.40	68.40	68.40	68.40
Est. Sales	3,209	Prev. Sales	2,911			
Prev. Day Open Int.	9,150	Up 250				
HOGS (CME)						
30,000 lbs-cent/s per lb.						
51.75	34.45	Oct	42.95	44.00	42.70	43.65
50.85	34.75	Dec	44.45	44.72	43.95	44.62
50.47	38.10	Feb	44.37	44.55	43.82	44.25
47.45	36.12	April	40.65	41.00	40.50	40.55
49.05	39.80	June	43.70	43.95	43.50	43.57
49.85	40.45	July	44.40	44.85	44.35	44.55
51.70	40.25	Aug	43.22	43.50	43.10	43.15
41.10	38.07	Oct	40.50	40.50	40.45	40.45
49.50	38.37	Dec	41.70	42.00	41.90	41.90
Est. Sales	7,707	Prev. Sales	7,074			
Prev. Day Open Int.	18,448	Up 407				
CURRENCY OPTIONS						
Oct.						
PHILADELPHIA EXCHANGE						
Option & Strike						
Dec	Mar	Jun	Call-Last		Puts-La	
12,500 British Pounds-dollars per unit.						
B Pound	125	22.50	r	s		
	125		r		0.45	
	125		r		1.25	
	125	84.5	r		1.80	4.20
	125	5.55	r		3.00	
	125	1.30	4.90	r	7.20	
	125	1.80	3.75	r	10.10	13.85
	125	0.91	r	r		
50,000 Canadian Dollars-cents per unit.						
CDollar	71		r		0.09	
	71	1.25	r		0.19	
	73	0.75	r		0.43	
	74	0.25	r		1.12	
	75	0.16	r		1.12	
5,250 West German Marks-cents per unit.						
D Mark	31		r		0.02	
	32		r		0.04	
	34	4.40	r		0.10	0.25
	35	3.45	r		0.23	
	35	2.50	r		0.30	
	36	2.33	r		0.35	
	37	0.93	1.64	r	1.40	
125,000 French Francs-100s of a cent per unit.						
F Franc	110	14.00	r	r		
	115	9.20	r	r		
	120	6.70	r	r		
	125	3.90	4.75	r		
6,250,000 Japanese Yen-100s of a cent per unit.						
Yen	39		r	0.04		
	40	6.80	r			
	41	4.05	4.00	r	0.04	
	42	3.30	5.36	r	0.12	0.30
	43	2.22	4.22	r	0.22	
	44	1.92	3.82	r	0.41	0.50
	45	2.50	2.54	r	0.64	
	46	2.00	r	r	1.04	
Total call vol.	7,265					
Total put vol.	2,728					
r—Not traded. s—No option offered.						
(P) Put premium (Purchase price).						
Source: AP.						
Paris Commodities						
Oct. 3						
SUGAR						
Sterling per metric ton						
Dec	140					
Mar	151					
May	145					
Aug	140					
Oct	145					
Volumes						
COCA						
Sterling per kg						
Dec	1,200					
Jan	1,150					
Mar	1,150					
May	1,150					
Sept	1,150					
Dec	1,150					
Volume						
COFFEE						
Sterling per kg						
Nov	1,100					
Jan	1,100					
Mar	1,100					
May	1,100					
Sept	1,100					
Nov	1,100					
Volume						
GASOIL						
U.S. dollars per metric ton						
Oct	265					
Nov	265					
Jan	265					
Feb	265					
Mar	265					
May	265					
Sept	265					
Nov	265					
Volume						
Dividends						
Source: Bourse du Commerce.						

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NEW HIGHS 10

London Metals

Maley
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Gel

London Metals

Asian Commodities

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KONG GOLD FUTURES BY SOURCE				Price	
	High	Low	Bid	Ask	Prev.
N.T.	N.T.	324.00	324.00	324.00	324.00
N.Y.	N.Y.	325.00	327.00	327.00	325.00
322.00	328.00	227.00	329.00	327.00	322.00
N.Y.	N.Y.	321.00	331.00	321.00	321.00
N.Y.	N.T.	326.00	328.00	326.00	325.00
341.00	341.00	340.00	342.00	341.00	340.00
N.Y.	N.T.	345.00	347.00	345.00	345.00
Total: 22 lots of 100 oz					
PORE GOLD FUTURES BY SOURCE					
	High	Low	Bid	Ask	Prev.
N.Y.	N.Y.	328.00	328.00	328.00	328.00
N.Y.	N.Y.	328.00	328.40	328.40	328.00
Total: 42 lots of 100 oz					
A LUMPIAN RUBBER Ten cents per kilo					
	High	Low	Bid	Ask	Prev.
	Bid	Ack	Bid	Ack	Prev.
184.25	187.25	187.25	184.00	187.00	184.00
187.50	189.00	189.00	185.50	189.50	185.50
189.00	189.00	189.00	185.50	189.50	185.50
190.50	191.50	191.50	188.00	191.50	188.00
Total: 5 lots					
PORE RUBBER Ten cents per kilo					
	High	Low	Bid	Ack	Prev.
Nov.	145.50	144.00	144.00	145.50	144.00
Nov.	145.50	144.00	144.00	145.50	144.00
Nov.	154.50	155.50	155.50	152.00	155.50
Nov.	154.50	155.50	155.50	152.00	155.50
Nov.	149.50	149.50	149.50	144.00	149.50
Nov.	143.50	143.50	143.50	141.00	143.50

Cash Div.

2

Source: CME.

11

Industry links

Solomon Brothers

10

Reuters

four additional A-300s in the European consor-

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ember 1986 and June 1987, executives said Thursday financial details were given.

Sun to Restructure as a Partnership

United Press International

RADNOR, Pennsylvania — Sun Co. said Thursday that it had approved a four-part corporate restructuring that will include the creation of a master limited partnership containing most of its domestic oil and gas properties.

The company said it would take a \$275-million charge against third-quarter earnings to reflect the cost of the restructuring, which will include the sale of some units.

The four-part program approved by the board also calls for raising the annual dividend on common stock by 7 cents in January and accelerating the annual rate of the share-repurchase program to about \$200 million, according to Sun's chief executive officer, Robert McClements.

The after-tax charge against third-quarter earnings principally relates to provisions for losses on the planned disposition of selected oil, gas and energy mineral assets.

"We strongly believe that this course of action will be in the best interests of our current shareholders because of our plans to increase the cash dividend on common stock and also to accelerate our share repurchase program," Mr. McClements said.

"Furthermore, we intend to vigorously continue our commitment to increasing both the quantity and the profitability of our energy reserve base through exploration, development and selective acquisitions."

Mr. McClements said he hoped to raise about \$200 million by the

end of the year through a registered public offering of between 2 and 3 percent of the master limited partnership units.

A shareholder meeting will be held in early December to approve transferring the properties to the master limited partnership, which will be called Sun Energy Partners.

In a separate action, the Sun board declared a regular quarterly cash dividend of 57.5 cents per share on all full shares of common stock outstanding. The dividend, unchanged from the previous quarter, is payable Dec. 10 to shareholders of record Nov. 8.

The board also declared a regular quarterly cash dividend of \$6.25 cents per share on Sun's \$1.25 cumulative convertible preferred stock, payable Dec. 20 to shareholders of record Nov. 8.

Continental Air Wins Latest Round in Court

The Associated Press

HOUSTON — A U.S. federal bankruptcy judge granted Thursday a request by Continental Airlines for reorganization of \$1.4 billion in claims by striking pilots and flight attendants, as well as allegations that the employees were wrongfully dismissed.

Members of the Air Line Pilots Association walked out Oct. 1, 1983 after the airline, seeking protection from creditors under Chapter 11, slashed wages up to 50 percent.

A spokesman said the closing of Financial Corp., strengthening the reserves of L.W. Biegler and replenishing the capital of all of Crum & Forster Inc.'s insurance companies and take a \$160-million, after-tax charge against third-quarter earnings.

The charge will be nearly twice the \$81.3 million Xerox earned during the third quarter of 1984, leading some Wall Street analysts to predict the company would post a third-quarter loss. One analyst said the loss could run as high as \$67 million.

Xerox's last quarterly loss was \$12 million, or 26 cents per share, in the 1984 fourth quarter. A Xerox spokesman said his company would not project its third-quarter 1985 earnings, due out Oct. 29.

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Hoesch Forges Steel Success Without Subsidy

(Continued from Page 11)

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AFTER THE WAR WAS OVER

(168
masterpieces
from
Magnum)

Robert Capa, *The Liberation of Paris, 25 August 1944*

Robert Capa, *The New Look, Paris 1947*

David Seymour, *Arturo Toscanini, 1954*

David Seymour, *Disturbed orphan, 1948*

Werner Bischof, *In the ruins of Warsaw, 1947*

Henri Cartier-Bresson, *The Ascot Train, Waterloo Station, London 1953*

Erich Lessing, *Railroad workers, 1956*

Photographs by Werner Bischof, René Burri, Robert Capa, Henri Cartier-Bresson, Elliott Erwitt, Ernst Haas, Erich

From the archives of Magnum Photos, a photographic record of Europe in the immediate postwar years — striking images of a continent shaking off the debris of destruction and coming to life.

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CURRENCY MARKETS

Dollar Ends Sharply Lower in New York

Compiled by Our Staff From Dispatches
NEW YORK — The dollar closed sharply lower in New York on Thursday on signs of concerted intervention, dealers said.

Several traders said they believed that European and U.S. central banks sold a modest amount of dollars earlier in the day.

"The central banks are clearly demonstrating that downside risk for the dollar remains great," a U.S. trader remarked.

The dollar ended at 2.6200 Deutsche marks in New York, its lowest level in about 16 months, compared with 2.6520 on Wednesday.

Earlier in London, the U.S. unit ended at 2.6225 DM after drifting most of the day around its opening 2.6470 DM and a close on Wednesday at 2.6470 DM. In Frankfurt, the dollar was fixed at mid-afternoon at 2.6459 DM, up from 2.6410 DM previously.

The Bundesbank sold \$29.3 million at the midday fix. West German dealers said this showed that the government was continuing its policy of maintaining a higher price since the Group of Five nations' meeting last month.

Reports that the Group of Five have decided to further depress the U.S. currency pressured the U.S. unit, dealers said.

Gary Dorsch, senior money market analyst at G.H. Miller & Co. in Chicago, said traders were worried that "there may be some additional follow-up moves to help strengthen non-dollar currencies" when senior officials of the International Monetary Fund meet this weekend in Seoul.

"It is just speculation, but it is moving the market," Mr. Dorsch said.

The British pound gained strongly against the dollar in New York, closing at \$1.4260 from \$1.4170 on Wednesday. The dollar finished at 8.0100 French francs down from 8.0295 francs; and at 2.1420 Swiss francs down from 2.1595 francs.

The dollar was mixed in Europe but fell to its lowest closing levels against some currencies since April 1984 after a late burst of selling, dealers said. Most of the sudden selling seemed to originate from the United States.

The dollar lost ground against the yen in London, falling to 212.55 (Reuters, AP)

yen from 213.50 at the opening and 213.80 on Wednesday. Earlier in Tokyo, the dollar ended at 213.70 yen, down from 213.90 yen.

Although in the long term the dollar's direction seemed to be downwards, its short-term course was more unpredictable, most European traders agreed. "The dollar is virtually rudderless. There is no clear idea where it is going," a trader at a London bank commented.

The British pound firmed against the dollar in London to close at \$1.4225, from \$1.4155 on Wednesday. There are no major factors affecting sterling at the moment, according to traders.

They said that news on oil prices emanating from this week's meeting in Vienna of oil ministers from the Organization of Petroleum Exporting Countries is being largely ignored.

In other European markets, the dollar was fixed in Paris at 8.0735 French francs, up from 8.054 francs; and ended at 2.1445 Swiss francs in Zurich, down from 2.1565 francs. (Reuters, AP)

THE EUROMARKETS

New Yen Floating-Rate Note Is Expected

By Christopher Pizzey

Traders note that the first ever Euroyen floater, a 15-billion-yen note for Crédit Foncier, is currently trading above par at 100.23. It was launched in July and also pays 1/16 point over six-month Libor.

The most successful new issue Thursday was a \$100-million floating-rate note issued by Crédit du Nord on its own behalf. The issue pays 1/16 point over three-month Libor. It ended above its par issue price at 100.02 percent.

Secondary market prices in the dollar-floater-note sector were generally a shade easier after a subdued day's trading, dealers said. Professionals were awaiting Thursday night's report on M-1, the narrowest measure of the U.S. money supply. M-1 was generally expected to decline \$100 million to \$500 million among the Eurobond professionals.

The dollar-straight sector was also slightly lower in lethargic trading. Only one new issue was introduced during the day, a \$150-million bond for Nippon Credit Curacao Finance NV.

The 10-year issue pays 10% percent over 10 years and was priced at 100%. Led by Salomon Brothers International, it ended at a discount of 1/2 point.

Cargill Inc. issued a 50-million-Eurobond note in the dollar bond paying 8% percent over 10 years and priced at par. The bond was the company's first public issue in any market.

In other sectors, Japanese convertible bonds ended lower, with some issues dropping sharply.

Pretoria Ends Nonresident Remittance In Move to Help End Flight of Capital

By Brenda Erdmann
International Herald Tribune

PRETORIA — The South African central bank said Thursday that profits or income earned before Jan. 1, 1984, or dividends based on these earnings can no longer be automatically remitted to nonresidents, effective Sept. 30.

Economists say the restrictions are intended to prevent a devious flight of capital and plug a possible loophole in the four-month debt repayment standstill.

The Reserve Bank said in an exchange-control circular that the rule applies to funds of a capital nature such as the sale of assets or profits from the revaluation of assets.

A bank official said approval for the forbidden remittances could be sought.

The economists noted that foreign companies will still be able to sell off all or part of their assets in South Africa and repatriate the proceeds.

OPEC Fails to Set Quota Pact

(Continued from Page 11)

country, struggling to repay about \$8 billion of foreign debt, has been producing around 100,000 barrels a day above its quota of 183,000 and wants OPEC to "regularize" the higher level.

"It's the honor of the country that is important," Mr. Santos said. Last spring, OPEC sent a letter to Ecuador and some other members scolding them for overproducing.

But Ecuador and other relatively poor members of OPEC contend that the quota system is highly unfair.

The system, adopted in early 1983 in an attempt to stop a plunge in oil prices, froze each member's agreed-upon output at about the levels then prevailing.

The poorer members have been pressing for a system that would base output quotas on population and other measures of financial need. Such a system would imply deep cuts for such lightly populated countries as Saudi Arabia, Kuwait, the UAE and Qatar.

Sheikh Ahmed Zaki Yamani, Saudi Arabia's minister, said his country was producing about 3 million barrels a day. That is well below the Saudi quota of 4.35 million.

The poorer members have been pressing for a system that would base output quotas on population and other measures of financial need. Such a system would imply deep cuts for such lightly populated countries as Saudi Arabia, Kuwait, the UAE and Qatar.

Nixdorf Computer AG has named Herman Valk as regional manager for Northern Europe. Based in London, Mr. Valk will oversee the West German computer maker's operations in Finland, the Netherlands, Belgium, Luxembourg, Ireland and Britain. He succeeds Albert Holler, who has been promoted to the main board of the parent concern. Mr. Valk's successor as managing director of Nixdorf Computer Ltd., the British arm, is yet to be named.

For the publishers, the cost is low: printing the strip is like printing a picture," said Neil Kleinfield, a vice president of the company, noting that including disks in computer magazines has proved an expensive way to distribute software. Moreover, he said, the strips are subject to fewer errors than optical character readers. "Best of all," Mr. Kleinfield added, "you can't spill coffee on the strip — it won't make any difference."

Mr. Walker stressed that Mr. MacGregor would remain chairman until his contract runs out.

Mr. MacGregor was appointed head of the state-owned National Coal Board in 1983. The National Union of Mineworkers called him a hatchet man bent on demolishing the coking coal industry.

BUSINESS PEOPLE

Merrill Names Lord Weinstock to Council

By Brenda Erdmann
International Herald Tribune

LONDON — Merrill Lynch & Co. has appointed a top British executive to its advisory council. The New York-based financial services concern said Lord Weinstock, 61, managing director of General Electric Co. of Britain, has been invited to join the council, bringing its membership to six.

The only other European on the council is Jean-Yves Haberer, chairman and chief executive officer of Banque Paribas.

William P. Rogers, chairman of the advisory council, said the group was formed in 1984 to advise Merrill Lynch on a broad range of issues. Lord Weinstock, who has been managing director of the British electrical and electronics giant since 1963, will be a valued member of the council because of the breadth and scope of his knowledge of conditions in the United Kingdom and Europe," Mr. Rogers said.

Credit Suisse First Boston Ltd. said that Karl Miesse will join the bank as a senior member of the board beginning Jan. 2. In addition to his general new business activities for the CSFB group, Mr. Miesse will also be responsible for the bank's investments in CSFB-Effekten Bank in Frankfurt. This summer Mr. Miesse abruptly left his post as a managing director of Deutsche Bank Capital Markets, Deutsche Bank AG's newly created

unit.

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The chief of British Steel, Sir Robert Haslam, will take over as Coal Board chairman in September 1986, but will work alongside Mr. MacGregor as a nonexecutive deputy chairman from next month. Mr. Walker said in a statement.

Mr. MacGregor was appointed head of the state-owned National Coal Board in 1983. The National Union of Mineworkers called him a hatchet man bent on demolishing the coking coal industry.

"It is important for the industry to know there is somebody in place," Mr. Walker said of Mr. MacGregor's successor, who was given a three-year contract.

When Prime Minister Margaret Thatcher appointed him Coal Board chairman, Arthur Scargill, leader of the National Union of Mineworkers, warned of trouble, and he later led his miners out on a crippling strike.

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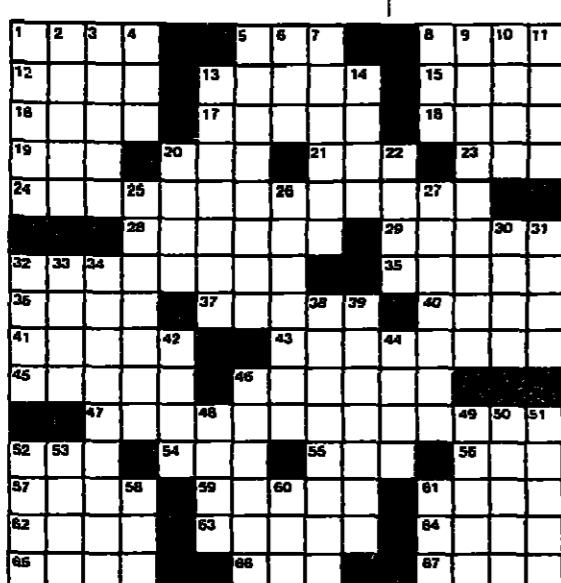
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Mr



ACROSS

- 1 Coptic church father
- 5 Org. that nabbed Dillinger
- 8 One of Zeus's disguises
- 12 Wind sound
- 13 Radio's "Mrs. North"
- 15 Sen. Metzenbaum's state
- 16 Court
- 17 Ventricular artery
- 18 Kind of farmer
- 19 York of the A.E.F.
- 20 Pedagogy deg.
- 21 Mauve Decade, e.g.
- 22 Nautical chain
- 24 Colorful royal line
- 28 Land ear to "The Shadow"
- 29 — Coeur, Parisian basilica
- 32 Estival's opposite
- 35 Crystalline medicine
- 36 Redolence
- 37 Zodiacal leader
- 40 Moldavian city
- 41 Former Italian president
- 43 Covered with laurels
- 45 Wreck
- 46 "2001: — Odyssey"
- 47 Pedantic women
- 48 Lori's daughter
- 49 "Sistine" —
- 50 Metric measure
- 51 Heraldic dog offering
- 52 Broadway
- 53 Always
- 54 Ginger root
- 55 Anagram for snore
- 56 Forbidden, in Frankfurt
- 57 — cap (mushroom)
- 58 Certain golf shot
- 59 Racing announcer McCarthy
- 60 "Hooray!"
- 61 Always
- 62 Ginger root
- 63 Anagram for snore
- 64 "Forbidden, in Frankfurt"
- 65 — cap (mushroom)
- 66 Certain golf shot
- 67 Racing announcer McCarthy
- 68 "Hooray!"
- 69 "Odyssey"
- 70 Buoyant
- 71 Bank offering
- 72 Raphael's "Sistine" —
- 73 Enza
- 74 Small basso
- 75 Arno's dread
- 76 Astronomical handle
- 77 Of the breastbone
- 78 Most unctuous
- 79 A last name in astronomy
- 80 Small hill
- 81 Phillips University site
- 82 Jack or Tim of film
- 83 Concept: Comb. form
- 84 Pump polisher
- 85 Photographer's concern
- 86 Biblical spices
- 87 Month after Ab
- 88 Tails for bulls and bulls
- 89 Sanctum
- 90 Spain's longest river
- 91 Kind of engagement
- 92 Rockwell's "Freedom" —
- 93 Snippet of music
- 94 Detain, as an alien
- 95 Gardner's purchase
- 96 Water power or electricity
- 97 — cut
- 98 Handy abbr.

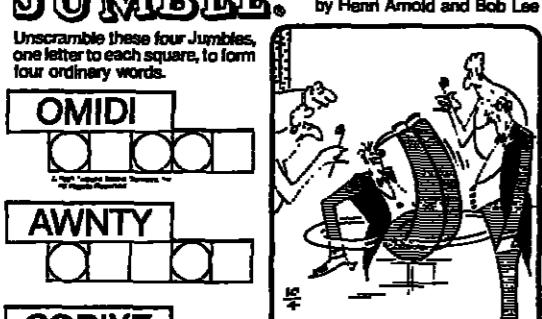
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DENNIS THE MENACE



"HE'S BEEN IN EVERY STATE IN THE U.S...EXCEPT DISNEYLAND."

JUMBLE



OMIDI
AWNTY
COBIXE
YERRSH

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer:

(Answers tomorrow)

Yesterday's Jumble: JOLLY KINKY CATCHY FIRING

Answer: A bachelor prefers to remain single, while others would this—"KNOT!"

WEATHER

EUROPE		ASIA			
HIGH	LOW	HIGH	LOW	HIGH	LOW
C 77	55	C 77	55	C 77	55
Bosnian	Selling	Hong Kong	52	52	52
Austria	18	18	18	18	18
Belgium	28	28	28	28	28
Brussels	24	24	24	24	24
Denmark	25	25	25	25	25
Iceland	25	25	25	25	25
Ireland	25	25	25	25	25
Norway	25	25	25	25	25
Portugal	25	25	25	25	25
Spain	25	25	25	25	25
Sweden	25	25	25	25	25
United Kingdom	25	25	25	25	25
U.S.	25	25	25	25	25
Yugoslavia	25	25	25	25	25
Zimbabwe	25	25	25	25	25
AFRICA					
Algiers	57	57	57	57	57
Egypt	57	57	57	57	57
Ghana	57	57	57	57	57
Ivory Coast	57	57	57	57	57
Morocco	57	57	57	57	57
Niger	57	57	57	57	57
Nigeria	57	57	57	57	57
Rwanda	57	57	57	57	57
Tunisia	57	57	57	57	57
Zaire	57	57	57	57	57
LATIN AMERICA					
Bolivia	25	25	25	25	25
Argentina	25	25	25	25	25
Brazil	25	25	25	25	25
Chile	25	25	25	25	25
Colombia	25	25	25	25	25
Ecuador	25	25	25	25	25
Mexico	25	25	25	25	25
Nicaragua	25	25	25	25	25
Peru	25	25	25	25	25
Venezuela	25	25	25	25	25
NORTH AMERICA					
Alaska	25	25	25	25	25
Arizona	25	25	25	25	25
Arkansas	25	25	25	25	25
California	25	25	25	25	25
Colorado	25	25	25	25	25
Connecticut	25	25	25	25	25
Florida	25	25	25	25	25
Illinois	25	25	25	25	25
Indiana	25	25	25	25	25
Michigan	25	25	25	25	25
Minnesota	25	25	25	25	25
Mississippi	25	25	25	25	25
Missouri	25	25	25	25	25
Nebraska	25	25	25	25	25
New Hampshire	25	25	25	25	25
New Jersey	25	25	25	25	25
New Mexico	25	25	25	25	25
New York	25	25	25	25	25
Pennsylvania	25	25	25	25	25
Tennessee	25	25	25	25	25
Texas	25	25	25	25	25
Utah	25	25	25	25	25
Washington	25	25	25	25	25
Wisconsin	25	25	25	25	25
FRANKFURT					
AEG-Telefunken	157	145.20			
Ades	415	415			
Arbed	2750	2750			
Bayer	2750	2750			
BASF	2750	2750			
Boehringer	2750	2750			
Deutsche	2750	2750			
Fluor	2750	2750			
Montedison	2750	2750			
Siemens	2750	2750			
Telefunken	2750	2750			
HONG KONG					
Bank of East Asia	21.50	21.50			
China Light & Power	17.50	17.50			
China Merchants Bank	21.50	21.50			
China National Textile Corp.	21.50	21.50			
China Resources	21.50	21.50			
China Telecom	21.50	21.50			
China Trust	21.50	21.50			
China Union Bank	21.50	21.50			
China Merchants Bank	21.50	21.50			
China National Textile Corp.	21.50	21.50			
China Telecom	21.50	21.50			
China Trust	21.50	21.50			
China Union Bank	21.50	21.50			
Commercial Bank of China	21.50	21.50			
Hang Seng Index : 1581.07					
Frankfurt					
AEG-Telefunken	2750	2750			
Ades	2750	2750			
Arbed	2750	2750			
BASF	2750	2750			
Boehringer	2750	2750			
Deutsche	2750	2750			
Fluor	2750	2750			
Montedison	2750	2750			
Siemens	2750	2750			
Telefunken	2750	2750			
London					
Barclays	2750	2750			
BP-Amoco	2750	2750			
BSkyB	2750	2750			
ICI	2750	2750			
Imperial Chemical Industries	2750	2750			
Marconi	2750	2750			
Montedison	2750	2750			
Shell	2750	2750			
Unilever	2750	2750			
West German Stock Exchange : 2498.67					
Paris					
Ades	2750	2750			
Arbed	2750	2750			
BASF	2750	2750			
Boehringer	2750	2750			
Deutsche	2750	2750			
Fluor	2750	2750			
Montedison	2750	2750			
Siemens	2750	2750			
Telefunken	2750	2750			
Tokyo					
Asahi Shimbun	2750	2750			
Daiei	2750	2750			
Fuji	2750	2750			
Hitachi	2750	2750			
Kyocera	2750	2750			
Mitsubishi	2750	2750			
Nippon Steel	2750	2750			
Sony	2750	2750			

